

# **Boys & Girls Club of Stamford, Inc.**

Financial Statements

June 30, 2025 and 2024

# Boys & Girls Club of Stamford, Inc.

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## Independent Auditors' Report

To the Board of Directors of  
Boys & Girls Club of Stamford, Inc.

### Opinion

We have audited the accompanying financial statements of Boys & Girls Club of Stamford, Inc. which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows 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 financial position of Boys & Girls Club of Stamford, Inc. as of June 30, 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 (GAAP).

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys & Girls Club of Stamford, Inc. 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.

### Other Matter - 2024 Financial Statements and Summarized Comparative Information

The financial statements of Boys & Girls Club of Stamford, Inc. as of and for the year ended June 30, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on December 20, 2024. These financial statements include summarized comparative information as of and for the year ended June 30, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the 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 Boys & Girls Club of Stamford, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

## **Auditors' 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 Auditors' 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 GAAS 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 GAAS, 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 Boys & Girls Club of Stamford, 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 Boys & Girls Club of Stamford, Inc.'s 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.

*Baker Tilly US, LLP*

Shelton, Connecticut  
December 19, 2025

# Boys & Girls Club of Stamford, Inc.

Statements of Financial Position  
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,223,757	\$ 996,204
Investments	361,155	310,488
Accounts receivable	106,272	217,642
Grants receivable	194,175	77,149
Promises to give, net	397,189	509,613
Employee Retention Credit receivable	-	25,296
Prepaid expenses	24,482	39,382
Deferred in-kind lease expense	5,050,392	5,077,793
Property and equipment, net	4,883,142	5,080,565
	<u>12,240,564</u>	<u>12,334,132</u>
<b>Assets Restricted for Investment in and Maintenance of Property and Equipment</b>		
Cash and cash equivalents, Capital Campaign	324,859	324,859
Cash and cash equivalents, Yerwood Renovations	-	44,295
Investments	266,150	178,807
	<u>591,009</u>	<u>547,961</u>
<b>Assets Restricted for Long-Term Investment, Investments</b>		
	<u>1,707,522</u>	<u>1,707,522</u>
Total assets	<u>\$ 14,539,095</u>	<u>\$ 14,589,615</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 241,661	\$ 280,027
Program fees received in advance	238,275	391,482
Tenant security deposits	10,000	10,000
Refundable advances on grants	3,680,001	4,270,001
	<u>4,169,937</u>	<u>4,951,510</u>
Total liabilities	<u>4,169,937</u>	<u>4,951,510</u>
<b>Net Assets</b>		
Net assets without donor restriction:		
Net investment in property and equipment	1,203,141	810,564
Board designated, capital and operations	621,201	621,201
Undesignated, available for operations	783,694	328,214
	<u>2,608,036</u>	<u>1,759,979</u>
Total net assets without donor restriction	<u>2,608,036</u>	<u>1,759,979</u>
Net assets with donor restriction	<u>7,761,122</u>	<u>7,878,126</u>
Total net assets	<u>10,369,158</u>	<u>9,638,105</u>
Total liabilities and net assets	<u>\$ 14,539,095</u>	<u>\$ 14,589,615</u>

See notes to financial statements

**Boys & Girls Club of Stamford, Inc.**

Statement of Activities

Year Ended June 30, 2025

(With Comparative Totals for 2024)

	2025			2024
	Without Donor Restriction	With Donor Restriction	Total	Total
<b>Support, Revenues and Investment Income</b>				
Contributions	\$ 1,770,113	\$ 57,526	\$ 1,827,639	\$ 1,372,000
Grants	1,912,100	-	1,912,100	1,735,984
Fundraising events	887,847	-	887,847	853,261
Contract service fees	20,000	-	20,000	20,000
Program service fees	247,683	-	247,683	229,589
Membership dues	146,447	-	146,447	134,515
Investment return, net	128,191	87,343	215,534	240,292
Lease income and fees	501,474	-	501,474	490,647
Contributed nonfinancial assets	276,483	-	276,483	267,605
Total	5,890,338	144,869	6,035,207	5,343,893
Net assets released from restriction:				
Satisfaction of purpose restriction	114,472	(114,472)	-	-
Expirations of time restriction	147,401	(147,401)	-	-
Total net assets released from restriction	261,873	(261,873)	-	-
Total support, revenues and investment income	6,152,211	(117,004)	6,035,207	5,343,893
<b>Expenses</b>				
Program services:				
Afterschool	745,111	-	745,111	1,468,281
Education programs	706,644	-	706,644	348,346
Summer camp	975,911	-	975,911	896,571
Teen programs	591,244	-	591,244	615,075
Enrichment programs	706,446	-	706,446	462,673
Total program services	3,725,356	-	3,725,356	3,790,946
Support services:				
General and administrative	631,994	-	631,994	581,483
Fundraising and development	699,810	-	699,810	564,107
Total support services	1,331,804	-	1,331,804	1,145,590
Total expenses	5,057,160	-	5,057,160	4,936,536
Other (income) expense:				
Interest income	(23,642)	-	(23,642)	(28,210)
Cost of direct benefits to donors	116,007	-	116,007	121,138
Costs associated with lease income	154,629	-	154,629	129,651
Provision for uncollectible campaign pledges	-	-	-	4,200
Total expenses, net	5,304,154	-	5,304,154	5,163,315
Change in net assets	848,057	(117,004)	731,053	180,578
<b>Net Assets, Beginning</b>	1,759,979	7,878,126	9,638,105	9,457,527
<b>Net Assets, Ending</b>	<u>\$ 2,608,036</u>	<u>\$ 7,761,122</u>	<u>\$ 10,369,158</u>	<u>\$ 9,638,105</u>

See notes to financial statements

**Boys and Girls Club of Stamford, Inc.**

Statement of Functional Expenses

Year Ended June 30, 2025

(With Comparative Totals for 2024)

	Program Services					Support Services			2025 Total	2024 Total	
	Afterschool	Education Programs	Summer Camp	Teen Programs	Enrichment Programs	Total Program	General and Administrative	Fundraising and Development			Total Support
Salaries	\$ 382,052	\$ 356,582	\$ 534,873	\$ 280,171	\$ 356,582	\$ 1,910,260	\$ 331,112	\$ 305,641	\$ 636,753	\$ 2,547,013	\$ 2,544,061
Payroll taxes	31,535	29,433	44,149	23,126	29,433	157,676	27,332	25,228	52,560	210,236	215,688
Employee benefits	38,456	35,892	53,838	28,201	35,892	192,279	33,329	30,765	64,094	256,373	320,616
<b>Total salaries and related expenses</b>	<b>452,043</b>	<b>421,907</b>	<b>632,860</b>	<b>331,498</b>	<b>421,907</b>	<b>2,260,215</b>	<b>391,773</b>	<b>361,634</b>	<b>753,407</b>	<b>3,013,622</b>	<b>3,080,365</b>
Professional fees	19,352	18,062	27,093	14,191	18,062	96,760	16,771	15,482	32,253	129,013	113,575
Office supplies and expenses	14,596	13,623	20,435	10,704	13,623	72,981	12,652	11,677	24,329	97,310	61,700
Telephone and communications	2,162	2,018	3,027	1,585	2,018	10,810	1,873	1,730	3,603	14,413	19,366
Postage, printing and publications	136	127	190	100	127	680	117	109	226	906	1,569
Travel and auto	2,090	1,950	2,926	1,533	1,950	10,449	1,811	1,672	3,483	13,932	22,794
Conference, conventions and meetings	101	94	141	74	94	504	86	81	167	671	2,798
Insurance	19,740	18,424	27,636	14,476	18,424	98,700	17,109	15,792	32,901	131,601	121,527
Occupancy	68,275	68,275	68,275	68,275	68,193	341,293	34,158	34,117	68,275	409,568	342,727
In-kind lease expenses	48,858	48,858	48,858	48,858	48,801	244,233	24,444	24,414	48,858	293,091	303,212
Membership dues	1,384	1,292	1,938	1,015	1,292	6,921	1,201	1,108	2,309	9,230	7,342
Program expenses	61,967	57,836	86,754	45,443	57,836	309,836	53,704	49,574	103,278	413,114	329,522
Maintenance and equipment	1,227	1,145	1,717	900	1,145	6,134	1,063	981	2,044	8,178	28,964
Fund-raising events	-	-	-	-	-	-	-	69,741	69,741	69,741	99,209
Marketing and development	-	-	-	-	-	-	-	84,462	84,462	84,462	59,163
Payment to national organization	2,204	2,057	3,085	1,616	2,057	11,019	1,910	1,763	3,673	14,692	11,972
Recruiting	-	-	-	-	-	-	6,079	-	6,079	6,079	4,016
Bank, credit card fees and interest expense	-	-	-	-	-	-	25,026	-	25,026	25,026	19,893
Miscellaneous	-	-	-	-	-	-	16,714	-	16,714	16,714	21,267
<b>Total expenses before depreciation and amortization</b>	<b>694,135</b>	<b>655,668</b>	<b>924,935</b>	<b>540,268</b>	<b>655,529</b>	<b>3,470,535</b>	<b>606,491</b>	<b>674,337</b>	<b>1,280,828</b>	<b>4,751,363</b>	<b>4,650,981</b>
Depreciation and amortization of property and equipment	50,976	50,976	50,976	50,976	50,917	254,821	25,503	25,473	50,976	305,797	285,555
<b>Total functional expenses</b>	<b>\$ 745,111</b>	<b>\$ 706,644</b>	<b>\$ 975,911</b>	<b>\$ 591,244</b>	<b>\$ 706,446</b>	<b>\$ 3,725,356</b>	<b>\$ 631,994</b>	<b>\$ 699,810</b>	<b>\$ 1,331,804</b>	<b>\$ 5,057,160</b>	<b>\$ 4,936,536</b>

See notes to financial statements

**Boys & Girls Club of Stamford, Inc.**

## Statements of Cash Flows

Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	731,053	180,578
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	305,797	285,555
Provision for uncollectible campaign pledges	-	4,200
Net unrealized appreciation on investments	(75,529)	(194,380)
Net realized gains on investments	(88,850)	(21,363)
Deferred in-kind lease expense	27,401	35,607
Contributed securities	(200,390)	(16,699)
Changes in:		
Accounts receivable	111,370	(66,498)
Grants receivable	(117,026)	18,322
Promises to give	112,424	161,442
Employee Retention Credit receivable	25,296	247,700
Prepaid expenses	14,900	27,350
Accounts payable and accrued expenses	(38,366)	(37,433)
Program fees received in advance	(153,207)	81,561
Refundable advances on grants	(590,000)	(590,000)
	<u>64,873</u>	<u>115,942</u>
Net cash provided by operating activities		
<b>Cash Flows from Investing Activities</b>		
Acquisitions of property and equipment	(108,374)	(41,422)
Purchases of investments	(329,163)	(349,906)
Proceeds from sales of investments	555,922	432,837
	<u>118,385</u>	<u>41,509</u>
Net cash provided by investing activities		
Net change in cash and cash equivalents	183,258	157,451
<b>Cash and Cash Equivalents, Beginning</b>	<u>1,365,358</u>	<u>1,207,907</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 1,548,616</u>	<u>\$ 1,365,358</u>
<b>Reconciliation of Cash and Cash Equivalents</b>		
Cash and cash equivalents	\$ 1,223,757	\$ 996,204
Cash and cash equivalents restricted for investment in and maintenance of property and equipment, Capital Campaign	324,859	324,859
Cash and cash equivalents restricted for investment in and maintenance of property and equipment, Yerwood Renovations	-	44,295
	<u>\$ 1,548,616</u>	<u>\$ 1,365,358</u>
Total cash and cash equivalents		

See notes to financial statements

# Boys & Girls Club of Stamford, Inc.

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Notes to Financial Statements

June 30, 2025 and 2024

## 1. Nature of Operations

The Boys & Girls Club of Stamford, Inc.'s (Club) mission is to enable all youth to reach their full potential as productive, caring and responsible citizens. The Club strives to empower their youth and provide a safe and supportive environment with caring adult professionals and volunteers.

The Club is a nonstock corporation under Connecticut law and is exempt from federal income taxes under the provisions of the Internal Revenue Code Section 501(c)(3) and is also exempt from state income taxes.

## 2. Summary of Significant Accounting Policies

### Basis of Presentation

The financial statements of the Club have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), which require the Club to report information regarding its financial position and activities according to the following net asset classifications:

**Net Assets Without Donor Restriction** - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Club. These net assets may be used at the discretion of the Club's Board of Directors (Board).

**Net Assets With Donor Restriction** - Net assets with donor restriction consist of net assets subject to stipulations by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Club or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity and that only the income from investment thereof be expended either for general purposes or purposes specified by the donor.

Donor restricted contributions are reported as an increase in net assets with donor restriction. When a restriction expires or the restricted purpose is satisfied, net assets are reclassified from net assets with donor restriction to net assets without donor restriction in the statement of activities. If a restriction is fulfilled in the same period in which the contribution is received, the Club reflects the support as a contribution without donor restriction.

### Revenue Recognition

The Club recognizes revenue from federal and state grants, which are conditional upon certain performance requirements and/or the incurrence of certain qualifying expenses, when the Club has incurred expenditures in compliance with grant provisions.

The Club recognizes contributions when cash, securities, unconditional promises to give, other assets, or a notification of a beneficial interest are received. Conditional contributions and promises to give, that is, those with measurable performance or other barriers and a right of return, are not recognized until the conditions on which they depend have been met.

Amounts received prior to incurring qualifying expenditures or conditions being met are reported as refundable advances on grants in the statements of financial position.

The Club recognizes contract service fees, certain program service fees and fund-raising income at a point in time, when they have satisfied their performance obligation, which is when the terms of the contract have been fulfilled or the program and the fund-raising events take place.

## **Boys & Girls Club of Stamford, Inc.**

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Notes to Financial Statements

June 30, 2025 and 2024

The Club recognizes membership dues and certain program fees over time, prorated over the period of time covered by the membership dues or programs, which is three to nine months.

Program service fees are billed at the time of registration and membership and contract service fees are billed semi-annually. Invoices are due on demand.

The Club recognizes lease income in accordance with Financial Accounting Standards Board Accounting Standards Codification (ASC) 842, *Leases*, and is reflected as lease income and fees in the statement of activities.

### **Contributions and Promises to Give**

Contributions received or promises to give without donor-imposed restrictions are reflected as net assets without donor restriction. Contributions received or promises to give with donor-imposed restrictions are reflected as net assets with donor restriction in the accompanying financial statements. Contributions or promises to give with donor-imposed conditions are not recognized as contributions or promises to give in the accompanying financial statements until the period when the conditions are met.

Promises to give that are expected to be received within one year of the financial statement date are reflected at their net realizable value (the gross amount of the promises to give, net of an allowance for uncollectible amounts). Promises to give that are expected to be collected more than one year after the financial statement date are reflected at the present value of their estimated future cash flows using a discount rate commensurate with the risks involved. Periodic amortization of any discount relating to promises to give is included as a component of contributions revenue in the accompanying financial statements.

Promises to give are periodically evaluated for collectability based upon management's evaluation of past loss experience, known and inherent risks in its accounts plus other factors which could affect collectability. In the opinion of management, all accounts for which the collectability is doubtful have been provided for in the provision for uncollectible pledges, and the remaining accounts are deemed to be collectible.

### **Cash Equivalents**

The Club considers highly liquid investments with original maturities of three months or less to be cash equivalents.

### **Investments**

Investments are stated at fair value. Realized gains or losses and unrealized appreciation or depreciation on investments are reflected in the accompanying statement of activities as increases or decreases in net assets without donor restriction unless their use is restricted by donor stipulation until spent.

### **Accounts Receivable and Allowance for Credit Losses**

Accounts receivable is recorded at the amount the Club expects to collect. The Club recognizes an expected allowance for credit losses for accounts receivable, when applicable, which is updated to reflect any changes in credit risk since the accounts receivable were initially recorded.

## **Boys & Girls Club of Stamford, Inc.**

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Notes to Financial Statements

June 30, 2025 and 2024

The allowance for credit losses for accounts receivable is derived from a review of the Club's historical losses based on management's evaluation of past loss experience as well as known and inherent risks within its accounts. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Club. The Club believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses for accounts receivable as the overall customer base has remained constant. No allowance for credit losses was deemed necessary at June 30, 2025 and 2024.

### **Deferred In-kind Lease Expense**

The Club leases its space at a nominal cost. Deferred in-kind lease expense is recognized at the beginning of the lease period at the present value of the estimated fair value of the total annual lease payments of \$293,091 for two separate leases from the City of Stamford. The deferred in-kind lease expense account is amortized into lease expense over the terms of the leases (Note 18).

### **Property and Equipment**

Property and equipment purchased are reflected at cost. Donated assets are reflected at their fair market value at the date of the gift. Depreciation and amortization is provided over the estimated useful lives of the assets, or in certain instances over the shorter of the estimated useful lives of the assets or the lease terms, from 3 to 30 years using the straight-line method. It is the Club's policy to capitalize property and equipment whose cost is \$1,000 or greater.

Certain property and equipment were acquired with grant funds. Although in some instances the grantors retain a reversionary right to such assets in the event they are not used for the respective programs for which they were funded, it is the policy of the Club to capitalize such assets when they consider it probable that they will be permitted to retain the assets when the grant agreements terminate.

### **Program Fees Received in Advance**

The Club receives payments for a significant portion of the dues from members in advance of the delivery of the services provided. These upfront payments are recorded as program fees received in advance upon receipt and generally require the deferral of revenue recognition to a future period until the Club performs its obligations. At June 30, 2025 and 2024, the Club has recorded program fees received in advance of \$238,275 and \$391,482, respectively. The Club will recognize \$238,275 and has recognized \$391,482 as revenue during the year ending June 30, 2026 and the year ended June 30, 2025, respectively, as it performs those services, and, therefore, satisfies its performance obligations to its members. Program fees received in advance at June 30, 2023 were \$309,921.

### **Compensated Absences**

Employees of the Club are entitled to paid vacations and personal days depending on job classification, length of service and other factors. The Club's policy is to allow for the carryover, from one year to the next, of five unused vacation days. Vacation pay will not be granted in lieu of taking time off and any unused vacation days are forfeited upon employee termination. Management has determined the provision for compensated absences to be immaterial and, as such, no liability has been recorded in the accompanying financial statements as of June 30, 2025 and 2024.

## **Boys & Girls Club of Stamford, Inc.**

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Notes to Financial Statements

June 30, 2025 and 2024

### **Contributed Nonfinancial Assets**

Goods and services have been provided by various organizations, and a number of unpaid volunteers have contributed their time to the Club. Contributions are recognized if the goods or services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed goods or services that do not meet the above criteria are not recognized (Note 16).

### **Functional Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying statement of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by the Club on an equitable basis. Salaries, payroll taxes and employee benefits are allocated based on level of effort. Occupancy, in-kind lease and depreciation and amortization of property and equipment are allocated based upon square footage. All other allocations of costs are allocated based on the allocation of salaries and benefits.

### **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Reclassifications**

Certain reclassifications have been made to the prior year financial statements to conform to the current period presentation. These reclassifications did not impact previously reported change in net assets or net assets.

### **Subsequent Events**

Management has evaluated subsequent events through December 19, 2025, the date the financial statements were available to be issued. Through that date, there were no material events that would require recognition or additional disclosure in the financial statements.

## **3. Concentrations of Risk**

### **Cash and Cash Equivalents**

The Club maintains cash accounts at several banks. Cash accounts at each bank are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times during the year, the cash balances at the banks exceeded insured amounts.

The Club also maintains a cash equivalent balance in a brokerage account, which is insured by the Securities Investor Protection Corporation up to \$500,000.

The Club has not experienced any losses on these accounts and management believes the Club is not exposed to significant risks on these accounts.

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements  
June 30, 2025 and 2024

### Funding

Substantial portions of funding for the Club's activities are from donors in the Fairfield County area.

### 4. Liquidity

The Club is regularly funded by contributions from donors that contain restrictions. Those restrictions require resources to be used in a certain manner or in a future period. Therefore, the Club must maintain adequate resources to meet those responsibilities to its donors, and certain financial assets may not be available for general expenditures within one year. As part of its liquidity management, the Club has a policy to structure its financial assets to be available as general expenditures, liabilities and other obligations become due.

Below reflects the Club's financial assets as of June 30, 2025 and 2024, reduced by amounts that are not available for general use within one year of the statements of financial position dates due to donor-imposed or contractual restrictions.

As of June 30, 2025 and 2024, the following financial assets are available to meet annual operating needs of the following years:

	<b>2025</b>	<b>2024</b>
Cash and cash equivalents	\$ 1,223,757	\$ 996,204
Investments	361,155	310,488
Accounts receivable	106,272	217,642
Grants receivable	194,175	77,149
Promises to give, net	397,189	509,613
Employee Retention Credit receivable	-	25,296
	<hr/>	<hr/>
Total financial assets available	2,282,548	2,136,392
Less amounts not available to be used within one year:		
Net assets with donor purpose restriction, not expected to be satisfied within one year	46,083	73,691
Net assets with donor time restriction, not available for operations within one year	181,720	265,922
Net assets without donor restriction - Board designated	621,201	621,201
	<hr/>	<hr/>
Total	849,004	960,814
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 1,433,544</u>	<u>\$ 1,175,578</u>

Additionally, the Club has a \$250,000 line of credit, which it uses for liquidity purposes as needed (Note 9).

# Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements

June 30, 2025 and 2024

## 5. Investments

GAAP has established a definition and framework for measuring fair value, and disclosure about fair value measurements. Fair value is the exchange price that would be received for an asset or liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes the inputs used to measure fair value, requiring entities to maximize the use of markets or observable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs generally require significant management judgment.

The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs are quoted in active markets for identical assets or liabilities.

Level 2 - Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, such as quoted prices for similar assets or liabilities.

Level 3 - Inputs are unobservable inputs for the assets or liability.

The following is a description of the valuation methodologies used for financial instruments measured at fair value:

### Fixed Income, Equities and Real Estate Securities - Level 1

Investments classified as fixed income, equities and real estate securities that are valued at level 1 in the fair value hierarchy are valued based on the quoted net asset value of shares reported in the active market in which the funds are traded.

### Corporate Bonds - Level 2

Corporate bonds that are valued at level 2 in the fair value hierarchy are valued based on yields currently available on comparable securities issuers with similar durations and credit ratings.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Club believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes to the valuation methodologies during the years ended June 30, 2025 and 2024.

Investments at June 30, 2025 and 2024 categorized according to the fair value hierarchy for those investments subject to categorization in the fair value hierarchy are summarized as follows:

Description	2025			Total
	Level 1	Level 2	Level 3	
Fixed income:				
Government bonds	\$ 205,451	\$ -	\$ -	\$ 205,451
Corporate bonds	487,062	292,850	-	779,912
Mutual funds	22,759	-	-	22,759
Equities:				
Common stocks	537,773	-	-	537,773
Mutual funds	744,570	-	-	744,570
Real estate securities	44,362	-	-	44,362
Total investments at fair value	<u>\$ 2,041,977</u>	<u>\$ 292,850</u>	<u>\$ -</u>	<u>\$ 2,334,827</u>

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements  
June 30, 2025 and 2024

Description	2024			Total
	Level 1	Level 2	Level 3	
Fixed income:				
Government bonds	\$ 294,720	\$ -	\$ -	\$ 294,720
Corporate bonds	306,213	280,706	-	586,919
Mutual funds	64,681	-	-	64,681
Equities:				
Common stocks	689,621	-	-	689,621
Mutual funds	526,690	-	-	526,690
Real estate securities	34,186	-	-	34,186
Total investments at fair value	<u>\$ 1,916,111</u>	<u>\$ 280,706</u>	<u>\$ -</u>	<u>\$ 2,196,817</u>

Investments at June 30, 2025 and 2024 were reflected in the accompanying statements of financial position as follows:

	2025	2024
Investments	\$ 361,155	\$ 310,488
Assets restricted for investment in and maintenance of property and equipment	266,150	178,807
Assets restricted for long-term investment	<u>1,707,522</u>	<u>1,707,522</u>
Total	<u>\$ 2,334,827</u>	<u>\$ 2,196,817</u>

### 6. Promises to Give, Net

Promises to give, net consisted of the following at June 30, 2025 and 2024:

	2025	2024
Due in less than 1 year	\$ 169,386	\$ 340,586
Due in 1 to 5 years	<u>255,000</u>	<u>250,000</u>
Total	424,386	590,586
Less allowance for uncollectible campaign pledges	-	(1,200)
Less unamortized discount	<u>(27,197)</u>	<u>(79,773)</u>
Net	<u>\$ 397,189</u>	<u>\$ 509,613</u>

The unamortized discount represents the adjustment required to reflect promises to give with due dates in excess of one year at their present value, calculated using a discount rate of 8.5% for each of the years ended June 30, 2025 and 2024.

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements  
June 30, 2025 and 2024

### 7. Capital Campaign Pledges

In a prior year, the Club initiated a \$15 million capital campaign for the expansion of their Stillwater facility, to enhance program space at the Yerwood Center and to provide an endowment for youth development programs. The Club received a total of \$2,054,350 in pledges and had total expenses and other adjustments of \$1,729,491. Net assets related to the capital campaign of \$324,859 have been donor restricted for the investment in and maintenance of property and equipment at June 30, 2025 and 2024. As of June 30, 2025 and 2024, there are no outstanding campaign pledges restricted for this purpose.

The capital campaign also provided for pledges that could be utilized for either capital expenditures or operations at the discretion of the Board. As of June 30, 2025 and 2024, outstanding campaign pledges available for capital or operations were \$9,386. These pledges are included in promises to give, net in the accompanying statements of financial position.

### 8. Property and Equipment, Net

Property and equipment, net consists of the following at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Land	\$ 161,894	\$ 161,894
Building and improvements	6,973,843	6,973,843
Land improvements	8,541	8,541
Furniture, fixtures and equipment	610,357	601,961
Leasehold improvements	601,337	560,944
Michael F. Lione memorial park	990,587	990,587
Transportation equipment	79,585	20,000
Total	9,426,144	9,317,770
Less accumulated depreciation and amortization	<u>(4,543,002)</u>	<u>(4,237,205)</u>
Property and equipment, net	<u>\$ 4,883,142</u>	<u>\$ 5,080,565</u>

In conjunction with the capital campaign, the Club was awarded two grants from the State of Connecticut Department of Children and Families (DCF). The first grant was for \$4.4 million to be used for the expansion of the Stillwater facility and renovations to the Yerwood Center. The second grant was for \$1.5 million and was to be used for the expansion of the gym at the Club's Stillwater facility and improvements to the Michael F. Lione Memorial Park (Lione Park) that is adjacent to the Club's Stillwater facility.

Under the terms of both DCF grant awards, the state of Connecticut has taken a lien on the Stillwater facility equal to the amount of the two grant awards. Also, under the terms of both DCF grant awards, the Club will be required to repay the state of Connecticut the grant awards should the facility cease to be used by the Club within 10 years of the final payment under the grant awards. Repayment shall be equal to the amount of the grant awards, minus 10% for each full year of continuance operation as a childcare facility licensed by DCF. Refundable advances on the DCF grant awards were \$3,680,001 and \$4,270,001 at June 30, 2025 and 2024, respectively. During each of the years ended June 30, 2025 and 2024, the Club recognized income of \$590,000 (Note 12).

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements

June 30, 2025 and 2024

### 9. Line of Credit

The Club has a \$250,000 line of credit with a bank that is due on demand, requires monthly payments of interest at the bank's prime rate plus 2% (9.5% and 10.5% at June 30, 2025 and 2024, respectively), and is secured by substantially all assets of the Club. There were no outstanding balances on the line of credit at June 30, 2025 and 2024. There was no interest expense on the line of credit for the years ended June 30, 2025 and 2024.

### 10. Net Assets

#### Net Assets Without Donor Restriction - Board Designated

As of June 30, 2025 and 2024, the Board of Directors has designated \$621,201 for capital and operations.

#### Net Assets With Donor Restriction

Net assets with donor restriction at June 30, 2025 and 2024 were restricted for the following purposes or periods:

	<u>2025</u>	<u>2024</u>
Purpose restrictions:		
Culinary program	\$ 96,083	\$ 123,691
Scholarships	15,060	15,060
Summer camp	4,950	20,177
Capital campaign (Note 7)	324,859	324,859
Yerwood renovations	-	44,295
Investment in and maintenance of property and equipment - unexpended endowment income (Note 7)	<u>266,150</u>	<u>178,807</u>
Total purpose restrictions	<u>707,102</u>	<u>706,889</u>
Time restricted:		
Promises to give - available for capital and operations	296,106	385,922
Deferred in-kind lease expense	<u>5,050,392</u>	<u>5,077,793</u>
Total time restricted	<u>5,346,498</u>	<u>5,463,715</u>
Perpetually restricted - endowment	<u>1,707,522</u>	<u>1,707,522</u>
Total net assets with donor restriction	<u>\$ 7,761,122</u>	<u>\$ 7,878,126</u>

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements  
June 30, 2025 and 2024

Net assets released from donor restrictions by passage of time, by incurring expenses satisfying the restricted purposes, or by occurrence of other events for the years ended June 30, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Satisfaction of purpose restrictions:		
Culinary program	\$ 50,000	\$ 50,000
Scholarships	-	1,000
Summer camp	20,177	14,552
Capital campaign	-	4,200
Yerwood Renovations	44,295	-
	<u>114,472</u>	<u>69,752</u>
Expiration of time restrictions:		
Promises to give - available for capital and operations	120,000	120,000
Deferred in-kind lease expense	27,401	35,607
	<u>147,401</u>	<u>155,607</u>
Total net assets released from donor restrictions	<u>\$ 261,873</u>	<u>\$ 225,359</u>

Net assets include \$1,707,522 of perpetually restricted endowments. The net earnings on \$500,000 of these endowments must be used for the maintenance of the facility. The balance of the net earnings on the perpetually restricted funds are available for unrestricted use.

GAAP requires certain provisions relating to "Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Connecticut Prudent Management of Institution Funds Act (CTPMIFA), and Enhanced Disclosures for All Endowment Funds". The provisions provide disclosures about an organization's endowment funds to enable users of the financial statements to understand the net asset classifications, net asset composition, changes in net asset composition, spending policy and related investment policy of an organization's endowment funds.

The Board has interpreted CTPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the endowment contributions unless there are explicit donor stipulations to the contrary. None of the Club's endowment contributions have any such stipulations. As a result, the Club classifies as net assets with donor restriction (a time restriction in perpetuity) the original value of gifts donated to the donor restricted endowment fund.

The Club considers a fund to be underwater if the fair value of the fund is less than the sum of the original value of initial gift amounts donated to the fund and any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Club has no underwater endowment funds at June 30, 2025 and 2024.

The Club's investment policy for endowment assets seeks to provide a total return, with prudent levels of risk, sufficient to preserve the value of the investment assets over time. Fund assets are invested in a diversified investment portfolio, comprised primarily of publicly traded securities and are focused on assets with a long-term horizon.

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements  
June 30, 2025 and 2024

	2025		
	Without Donor Restriction	With Donor Restriction - Endowment	Total
Balance - July 1, 2024	\$ -	\$ 1,886,329	\$ 1,886,329
Investment return, net	-	299,464	299,464
Distribution of approved spending from endowment total return	212,121	(212,121)	-
Utilization of total return	<u>(212,121)</u>	<u>-</u>	<u>(212,121)</u>
Balance - June 30, 2025	<u>\$ -</u>	<u>\$ 1,973,672</u>	<u>\$ 1,973,672</u>
	2024		
	Without Donor Restriction	With Donor Restriction - Endowment	Total
Balance - July 1, 2023	\$ -	\$ 1,827,221	\$ 1,827,221
Investment return, net	-	203,023	203,023
Distribution of approved spending from endowment total return	143,915	(143,915)	-
Utilization of total return	<u>(143,915)</u>	<u>-</u>	<u>(143,915)</u>
Balance - June 30, 2024	<u>\$ -</u>	<u>\$ 1,886,329</u>	<u>\$ 1,886,329</u>

### 11. Revenues From Contracts With Customers

For the years ended June 30, 2025 and 2024, revenues recognized for contract service fees, program service fees and fund-raising events for services provided at a point in time were \$939,915 and \$887,571, respectively.

For the years ended June 30, 2025 and 2024, revenue recognized for program service fees and membership dues for services provided over time were \$362,062 and \$349,794, respectively.

The Club's revenues, results of operations and cash flows are affected by a wide variety of factors, including general economic conditions, the geographical regions of its members, type of contract and contract duration. Contracts with members are generally no longer than 12 months in length.

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements  
June 30, 2025 and 2024

### 12. Grants

Grants receivable and refundable advances at June 30, 2025 and 2024, and grant revenue for the years ended June 30, 2025 and 2024 consisted of the following:

Grantor	2025		
	Grants Receivable	Refundable Advances (Note 8)	Grant Revenue
Federal - operating	\$ 15,937	\$ -	\$ 282,973
State - operating	5,488	-	208,733
State - capital	-	3,680,001	590,000
City - operating	172,750	-	830,394
Total	<u>\$ 194,175</u>	<u>\$ 3,680,001</u>	<u>\$ 1,912,100</u>

  

Grantor	2024		
	Grants Receivable	Refundable Advances (Note 8)	Grant Revenue
Federal - operating	\$ 61,061	\$ -	\$ 293,209
State - operating	8,274	-	234,102
State - capital	-	4,270,001	590,000
City - operating	7,814	-	618,673
Total	<u>\$ 77,149</u>	<u>\$ 4,270,001</u>	<u>\$ 1,735,984</u>

The Club typically receives grants from government agencies. Under the terms and conditions of these grants, expenditures and compliance with the provisions of such grants are subject to audit by the grantors. Management of the Club does not anticipate that there would be any changes as a result of an audit.

As of June 30, 2025 and 2024, the Club had remaining uncollected and unearned award balances on grants of approximately \$753,300 and \$165,300, respectively. These award balances were not recognized as assets and will be recognized as revenue as the grants progress and conditions are met, generally as expenses are incurred.

### 13. Retirement Plan

The Club maintains a 401(k) retirement plan (Plan) covering all full-time employees age 21 or older. Eligible employees can elect to defer a percentage of their compensation up to annual Internal Revenue Service limitations. The Plan provides for an employer safe harbor contribution of 3% of compensation and also provides for a discretionary profit-sharing contribution made by the Club. Participants are vested in their contributions immediately and after three years for the Club's contributions. Retirement plan expense for the years ended June 30, 2025 and 2024 was approximately \$35,600 and \$41,200, respectively, which is included in employee benefits in the accompanying statement of functional expenses.

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements  
June 30, 2025 and 2024

During a prior year, management discovered that certain corrections were required for contributions made to the Plan. Management elected to voluntarily report these errors to the appropriate relevant agencies and estimated that cumulative corrective contributions to the Plan would be approximately \$171,000. As of June 30, 2024 accrued expenses related to these corrective contributions were approximately \$109,700. During the year ended June 30, 2025, management made all remaining corrective contributions totaling approximately \$40,800 and reversed the remaining accrual of approximately \$68,900.

### 14. Fund-Raising Events

The net earnings on fund-raising events consisted of the following for the years ended June 30, 2025 and 2024:

Event	2025			
	Fundraising Revenues	Direct Benefits to Donors	Fundraising Event Expenses	Net
City Chic	\$ 417,106	\$ 39,439	\$ 20,663	\$ 357,004
5K Race	220,458	10,363	43,511	166,584
Golf Event	213,223	65,655	5,545	142,023
Bright Future	32,060	550	22	31,488
Champ of Youth	5,000	-	-	5,000
Total	<u>\$ 887,847</u>	<u>\$ 116,007</u>	<u>\$ 69,741</u>	<u>\$ 702,099</u>

  

Event	2024			
	Fundraising Revenues	Direct Benefits to Donors	Fundraising Event Expenses	Net
City Chic	\$ 379,682	\$ 35,416	\$ 36,174	\$ 308,092
Golf Event	224,009	53,945	4,503	165,561
5K Race	174,689	12,490	40,908	121,291
Champ of Youth	70,653	19,287	16,274	35,092
Adult Basketball	4,228	-	1,350	2,878
Total	<u>\$ 853,261</u>	<u>\$ 121,138</u>	<u>\$ 99,209</u>	<u>\$ 632,914</u>

### 15. Lease Income and Fees

The Club leases its facilities under the following terms:

#### Long-Term Leases

The Club has entered into leases, with terms ranging from one to ten years, with various parties at its Yerwood Center facility. The leases provide for payments in varying amounts ranging from \$3,014 to \$3,800 per month. A certain lease contains options to renew for two five-year periods, as defined.

## Boys & Girls Club of Stamford, Inc.

Notes to Financial Statements  
June 30, 2025 and 2024

Future minimum rentals under the above leases are as follows:

Years ending June 30:		
2026	\$	142,568
2027		77,971
2028		27,128
		<hr/>
Total	\$	<u>247,667</u>

### Short-Term Leases and Hourly Rentals

The Club also rents out its facility and the Yerwood Center informally on a month-to-month as well as an hourly basis.

Total lease income and fees for the years ended June 30, 2025 and 2024 consisted of the following:

	<u>2025</u>	<u>2024</u>
Long-term leases	\$ 214,401	\$ 229,737
Short-term and hourly rentals	<u>287,073</u>	<u>260,910</u>
Total	<u>\$ 501,474</u>	<u>\$ 490,647</u>

### Costs Associated With Lease Income

For the years ended June 30, 2025 and 2024, the Club determined that occupancy costs directly related to the above lease activities consisting of utilities, repairs and maintenance and janitorial services were approximately \$154,600 and \$129,700, respectively.

## 16. Contributed Nonfinancial Assets

Contributed nonfinancial assets consist primarily of the right to occupy a building at a nominal cost. The in-kind values are as follows for the years ended June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Building lease (Note 2)	\$ 293,091	\$ 303,212
Less change in deferred in-kind lease expense	(27,401)	(35,607)
Transportation equipment	<u>10,793</u>	<u>-</u>
Total	<u>\$ 276,483</u>	<u>\$ 267,605</u>

The Club has recognized contributed nonfinancial assets within support, revenues and investment income. Contributed nonfinancial assets benefited both program and support services and did not have any donor-imposed restrictions for the years ended June 30, 2025 and 2024.

## **Boys & Girls Club of Stamford, Inc.**

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Notes to Financial Statements  
June 30, 2025 and 2024

### **17. Small Business Administration - Employee Retention Credit**

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act created a new program administered by the Small Business Administration called the Employee Retention Credit (ERC) which is a fully refundable credit against the employer portion of certain payroll taxes for qualifying wages. The Club has concluded the ERC represents, in substance, a cost-reimbursable federal grant which is conditioned upon certain performance requirements and/or the incurrence of certain allowable qualifying wages and has accounted for the grant revenue in accordance with ASC 958-605. Under ASC 958-605, the Club can recognize revenue for the ERC as long as they have incurred qualifying wages. Under the ERC program the Club can claim a credit for qualifying wages for the period March 12, 2020 through December 31, 2021. During the year ended June 30, 2023, the Club determined that they incurred qualifying wages and recognized \$272,996 of income from the ERC which was recorded as a receivable as of June 30, 2023. Outstanding ERC receivables were \$25,296 at June 30, 2024 and were fully collected during the year ended June 30, 2025.

### **18. Commitments And Contingencies**

#### **Yerwood Center Lease Agreement**

The Club had a 5-year lease with the city of Stamford for the Yerwood Center located in Stamford, Connecticut. This lease expired in August 2020 and the Club has exercised the first of two 25-year extensions. The cumulative total lease expense paid to the city of Stamford for the entire term of the lease, including extensions, is \$10. The fair market value of the lease expense for the building was estimated at \$5,000,000 at the time of lease commencement. The value of the total lease expense over the period of the lease was discounted at 5.25%, and the present value of total in-kind lease expense was recorded in the deferred in-kind lease expense account. Annual lease expense of \$271,364 and \$278,212 has been recorded in program expense for the years ended June 30, 2025 and 2024, respectively. The Club is responsible for all operating and maintenance costs associated with operating programs at the Yerwood Center during the term of the lease, which are included in occupancy in the statement of functional expenses.

#### **Lione Park Lease Agreement**

The Club has a 25-year lease agreement with the city of Stamford for land adjacent to their Stillwater facility which consists of a parking lot and includes a section of Lione Park. The lease expires September 2038. The cumulative total lease expense paid to the city of Stamford for the entire term of the lease is \$10. The fair market lease value was estimated at \$347,828 at the time of lease commencement. The value of the total lease expense over the period of the lease was discounted at 5.25% and the present value of total in-kind lease was recorded in the deferred in-kind lease expense account. Annual lease expense of \$21,727 and \$25,000 has been recorded in program expense for the years ended June 30, 2025 and 2024, respectively. The lease also provides for the Club to make capital improvements to Lione Park.

### **19. Prior Year Information**

The financial statements include certain prior year summarized comparative information in total, but not by net asset class or functional expense classification. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Club's financial statements at June 30, 2024 and for the year then ended, from which the summarized information was derived.