

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**BOYS & GIRLS CLUBS**  
OF THE LOWCOUNTRY

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**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**CERTIFIED PUBLIC ACCOUNTANTS**

Member:  
American Institute of CPAs  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Boys & Girls Clubs of the Lowcountry, Inc.  
10 Pinckney Colony Road, Suite 103  
Bluffton, South Carolina 29909-4127

We have audited the accompanying financial statements of Boys & Girls Clubs of the Lowcountry, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Clubs of the Lowcountry, Inc. as of September 30, 2020, 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.

## Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statements on pages 19-22 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Crowley Wechsler & Associates LLC  
Beaufort, South Carolina  
January 30, 2021

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2020**

<b>ASSETS</b>	<b>WITHOUT DONOR RESTRICTION</b>	<b>WITH DONOR RESTRICTION</b>	<b>TOTAL (MEMORANDUM ONLY)</b>
Cash and Cash Equivalents	\$ 1,360,558	\$ 686,432	\$ 2,046,990
Investments	3,075,937	462,321	3,538,258
Unconditional Promises to Give	-	232,198	232,198
Accounts Receivable	42,697	-	42,697
Prepaid Expenses	45,056	-	45,056
Property Held for Resale	399,800	-	399,800
Property and Equipment - Net	3,987,160	-	3,987,160
<b>Total Assets</b>	<b>\$ 8,911,208</b>	<b>\$ 1,380,951</b>	<b>\$ 10,292,159</b>
 <b>LIABILITIES AND NET ASSETS</b>			
Accounts Payable	\$ 39,164	\$ -	\$ 39,164
Salaries Payable	87,398	-	87,398
Accrued Expenses	25,551	-	25,551
PPP Loan	430,688	-	430,688
Unearned Revenue	130,518	-	130,518
<b>Total Liabilities</b>	<b>713,319</b>	<b>-</b>	<b>713,319</b>
<b>Net Assets</b>			
Without Donor Restriction	1,134,793	-	1,134,793
Board Designated	3,075,936	-	3,075,936
Property and Equipment	3,987,160	-	3,987,160
With Donor Restriction	-	1,081,872	1,081,872
With Donor Restriction - Endowment	-	299,079	299,079
<b>Total Net Assets</b>	<b>8,197,889</b>	<b>1,380,951</b>	<b>9,578,840</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 8,911,208</b>	<b>\$ 1,380,951</b>	<b>\$ 10,292,159</b>

The notes to the financial statements are an integral part of this statement.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	WITHOUT DONOR RESTRICTION	WITH DONOR RESTRICTION	TOTAL (MEMORANDUM ONLY)
<b>REVENUES AND SUPPORT</b>			
Fund Raising Events			
Revenue Generated	\$ 902,536	\$ -	\$ 902,536
Less Direct Costs of Events	(109,505)	-	(109,505)
Fund Raising in Excess of Direct Costs	793,031	-	793,031
Contributions	1,185,607	316,969	1,502,576
In-kind Contributions	65,600	-	65,600
Trusts and Foundations	597,614	-	597,614
Membership Dues	3,800	-	3,800
Government Funds	203,141	-	203,141
Program Fees	497,266	-	497,266
Investment Income	135,001	2,586	137,587
Rental of Facility	28,335	-	28,335
Miscellaneous Income	50,966	108,220	159,186
Net Assets Released from Restrictions	649,632	(649,632)	-
Total Revenues and Support	4,209,993	(221,857)	3,988,136
<b>FUNCTIONAL EXPENSES</b>			
Program Services	2,810,156	-	2,810,156
General and Administrative	517,750	-	517,750
Fundraising	285,825	-	285,825
Total Functional Expenses	3,613,731	-	3,613,731
Change in Net Assets	596,262	(221,857)	374,405
Net Assets, Beginning of Year	7,601,627	1,602,808	9,204,435
Net Assets, End of Year	\$ 8,197,889	\$ 1,380,951	\$ 9,578,840

The notes to the financial statements are an integral part of this statement.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>SUPPORTING SERVICES</u>			<u>TOTAL</u>
	<u>PROGRAM SERVICES</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>FUND RAISING</u>	
Salaries and Wages	\$ 1,295,235	\$ 250,928	\$ 266,276	\$ 1,812,439
Fringe Benefits	285,948	48,951	17,830	352,729
Total Payroll Costs	1,581,183	299,879	284,106	2,165,168
Service and Professional Fees	18,810	117,832	-	136,642
Operating Supplies	99,813	17,061	-	116,874
Utilities	137,570	9,241	-	146,811
Repairs and Maintenance	90,166	-	-	90,166
Insurance	108,157	7,048	-	115,205
Travel	9,644	5,133	-	14,777
Rent Expense	66,955	19,466	-	86,421
Advertising and Promotion	13,362	2,664	-	16,026
Program Expenses	291,718	-	-	291,718
Other Expenses	76,378	39,426	1,719	117,523
Total Expenses Before Depreciation	2,493,756	517,750	285,825	3,297,331
Depreciation	316,400	-	-	316,400
Total Functional Expenses	<u>\$ 2,810,156</u>	<u>\$ 517,750</u>	<u>\$ 285,825</u>	<u>\$ 3,613,731</u>

The notes to the financial statements are an integral part of this statement.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>2020</b>
<b>Cash Flows From Operating Activities</b>	
Net income (loss)	\$ 374,405
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities	
Depreciation	316,400
(Gain)/loss on sale of assets	5,954
(Increase) decrease in accounts receivable	(32,707)
(Increase) decrease in prepaid assets	(9,444)
(Increase) decrease in promises to give	359,892
Increase (decrease) in accounts payable	(53,696)
Increase (decrease) in salaries payable and other benefits	(16,243)
Increase (decrease) in unearned revenues	106,730
Increase (decrease) in other accrued liabilities	432,256
Total adjustments	1,109,142
Net Cash Provided (Used) by Operating Activities	1,483,547
 <b>Cash Flows From Investing Activities</b>	
Withdrawals from investment accounts	43,000
Transfers to investments	(200,028)
Investment fees and foreign taxes paid	29,932
Interest and dividends earned on investments	(92,006)
Realized/unrealized gains and losses on investments	(69,536)
Purchases of capital assets	(217,460)
Net Cash Provided (Used) by Investing Activities	(506,098)
 <b>Cash Flows From Financing Activities</b>	
Withdrawals (payoff) on line of credit	(180,000)
Net Cash Provided (Used) by Financing Activities	(180,000)
Net Increase (Decrease) in Cash	797,449
Cash at Beginning of Year	1,249,541
Cash at End of Year	\$ 2,046,990
 <u>Supplemental Disclosures</u>	
Cash Paid During the Year for:	
Interest	\$ 3,310

The notes to the financial statements are an integral part of this statement.



**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of the Organization:** The Boys & Girls Clubs of the Lowcountry, Inc. (the Organization) was incorporated November 21, 1985, for the purpose of contributing to the quality of life and well-being of disadvantaged youth from the ages of six to eighteen. This objective is achieved by providing social, recreational, and sports facilities under adult supervision and by providing behavioral guidance to help achieve character and leadership development.

**Basis of Presentation:** The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP). The accounting policies have been designed to conform to US GAAP as applicable to not-for-profits.

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

**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. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**Revenue Recognition – Contracts with Customers Accounted for in Accordance with ASC 606**

The Organization recognizes revenue when it satisfies a performance obligation by transferring a promised good to, or performing a service for, a customer. The amount of revenue recognized reflects the consideration the Organization expects to receive in exchange for satisfying distinct performance obligations. If a performance obligation does not meet the criteria to be considered distinct, the Organization combines it with other performance obligations until a distinct bundle of goods and services exist. Performance obligations are satisfied over time and the related revenue is recognized as services are rendered. The Organization management expects that the period between when the transfers of goods and services to their customers and when the customers pay for those goods and services will be one year or less. Therefore, the Organization has elected the practical expedient not to adjust the promised amount of consideration for the effects of a significant financing component. Invoices resulting from the Organization's contracts with customers are generally due within 30 days of the invoice date.

**Contributions:** The Organization receives support from individuals, foundation, corporations, governmental entities, and other nonprofit organizations in support of its mission. Contribution revenue is recognized at fair value on the earlier of the receipt of cash or an unconditional promise to give. From time to time, the Organization receives promises to give that have certain conditions such as meeting specific performance-related barriers or limiting the Organization's discretion on use of funds. Such conditional promises are recognized when the conditions are substantially met.

**Program Fees:** Program fees are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services to their program participants. Program fees include club activity fees. Performance obligations are determined based on the nature of the services provided. Performance obligations are generally a service at a point in time. Revenue is recognized at the time the program is held.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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

**Investments:** Investments are made for the purpose of providing income to the Boys & Girls Clubs of the Lowcountry, Inc. and therefore are categorized as trading. These investments are recorded at fair value. Realized gains and losses on dispositions are based on the net proceeds and the cost basis of the securities sold. Unrealized gains and losses on investments are based on the difference between the cost basis and the market value of each security. Both realized and unrealized gains and losses are included on the Statement of Activities as investment income.

Investments in marketable securities are stated at fair value determined by management, relying upon the information provided by external investment managers. Marketable securities are subject to fluctuations based on market conditions. Given market volatility, there is no assurance that the unrealized gains/losses above may be realized. The estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed.

Liquidity risk represents the risk of the possibility that the Boys & Girls Clubs of the Lowcountry, Inc. may not be able to rapidly adjust the size of its portfolio holdings in times of high volatility and financial stress at a reasonable price.

Interest rate and credit risk is the risk that changes in interest rates and credit risks will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk or adverse interest changes. The Boys & Girls Clubs of the Lowcountry, Inc. does not have a formal investment policy on interest rate and credit risk.

Market price risk is the risk the value of securities held by the Boys & Girls Clubs of the Lowcountry, Inc. may decline in response to certain economic events, including those events impacting entities whose securities are owned and included in the investment portfolio. Those events impacting valuation may include (but not limited to) economic changes, market fluctuations, regulatory changes, global and political instability, currency, interest rate, and commodity price fluctuations. The Boys & Girls Clubs of the Lowcountry, Inc. attempts to manage this risk through diversification, ongoing due diligence of fund managers, and monitoring of economic conditions.

Currency and foreign exchange risk is the risk that the Boys & Girls Clubs of the Lowcountry, Inc. may hold investments denominated in currencies other than the U.S. dollar. Thus, there is exposure to currency risk because the value of the investments denominated in other currencies may fluctuate due to changes in currency exchange rates.

The FASB Accounting Standards Codification provides authoritative guidance on the net asset classification of donor restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA or the Act) and also requires disclosure about endowment funds, both donor-restricted endowment funds and board-designated endowment funds.

The Boys & Girls Clubs of the Lowcountry, Inc. endowment is invested in approximately 7 individual diversified funds. Its endowment, established for a variety of purposes, includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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

The Board of Directors has interpreted the UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Boys & Girls Clubs of the Lowcountry, Inc. classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the funds. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditures by the Boys & Girls Clubs of the Lowcountry, Inc. in a manner consistent with the standard of prudence prescribed by the Act. In accordance with the Act, the Boys & Girls Clubs of the Lowcountry, Inc. considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Boys & Girls Clubs of the Lowcountry, Inc. and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Boys & Girls Clubs of the Lowcountry, Inc.
7. The investment policies of the Boys & Girls Clubs of the Lowcountry, Inc.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the Act requires the Boys & Girls Clubs of the Lowcountry, Inc. to retain as a fund of perpetual duration. There were no deficiencies of this nature to be reported in net assets without donor restriction as of September 30, 2020. Deficiencies result from unfavorable market fluctuations that occur shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that were deemed prudent by the Board. Subsequent gains that restore the fair value of the assets of the endowment fund to the required level will be classified as an increase in net assets without donor restriction.

The Boys & Girls Clubs of the Lowcountry, Inc. has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, the endowment assets are invested in a balance between S&P 500 index and fixed income investments while assuming a moderate level of investment risk. The Boys & Girls Clubs of the Lowcountry, Inc. expects its endowment funds to attain an average annual real total return of at least 5% over the long term (rolling five year periods). Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Boys & Girls Clubs of the Lowcountry, Inc. relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Boys & Girls Clubs of the Lowcountry, Inc. targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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

The Board may apply up to eight percent of the fair value of the board designated net assets without donor restriction for support of annual operations as approved in the budget for the next fiscal year, based on the fair value of the board designated net assets without donor restriction on the June 30<sup>th</sup> preceding the next fiscal year. With a vote of 75% of the Board, additional amounts of the board designated net assets without donor restriction may be applied to the purchase of new structures or equipment or to the significant repair of either. Also, with a vote of 75% of the Board, additional amounts may be applied for the support of annual operations.

**Fair Value Measurements:** The Boys & Girls Clubs of the Lowcountry, Inc. accepts and applies FASB ASC 820, *Fair Value Measurements*, which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. Under the standard, fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity would use when pricing the asset or liability. In support of this principle, the standard establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. The three levels of hierarchy are as follows:

Level 1 – Valuations based on unadjusted quoted market prices for identical assets or liabilities in active markets that the Boys & Girls Clubs of the Lowcountry, Inc. has the ability to access.

Level 2 – Valuations based on pricing inputs that are other than quoted prices in active markets which are either directly or indirectly observable. Examples include quote prices for similar assets or liabilities in active markets; quote prices for identical or similar assets or liabilities in inactive markets; or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities, etc.) or can be corroborated by observable market data.

Level 3 – Valuations are derived from other valuation methodologies, including pricing models, discounted cash flow models, and similar techniques. Level 3 valuations incorporate certain assumptions and projections that are not observable in the market and require significant professional judgment in determining the fair value assigned to such assets or liabilities.

The assets or liabilities fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Common stocks, corporate bonds, and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the net asset value (“NAV”) of shares held by the plan at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Boys & Girls Clubs of the Lowcountry, Inc. 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.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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

**Cash and Cash Equivalents:** Deposits of the Boys & Girls Clubs of the Lowcountry, Inc. are maintained in demand deposits, savings accounts, or certificates of deposit. The book balance of the Organization is \$2,046,990 while the bank balance is \$2,126,271 of which \$300,030 was insured by the FDIC. The balance of \$1,826,241 was not collateralized or insured.

Custodial credit risk is the risk that in the event of a bank failure, the Organization's deposits may not be returned to it. The Boys & Girls Clubs of the Lowcountry, Inc. does not have a deposit policy for custodial credit risk.

For purposes of the financial statements, the Organization considers all highly liquid debt instruments (cash equivalents) purchased with a maturity of three months or less to be cash. The statement of cash flows is prepared by the indirect method. No income taxes were paid during the year.

**Land, Buildings, and Equipment:** The Organization capitalizes all expenses for land, buildings, and improvements with a value of \$10,000 or more and all expenses for furniture and equipment with a value of \$5,000 or more and an estimated life greater than two years. Donated property and equipment is recorded at fair value at the date of the donation. The costs for replacements or additional components follow the same guidance. Accordingly, all costs of repairs and maintenance are charged to expense as incurred, because they cannot be considered replacements or additional components. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Vehicles	5 years
Building	30 years
Furniture and Equipment	5 years

As required by the Asset Retirement and Environmental Obligations of the FASB Accounting Standards Codification, the Organization applies the provisions requiring a liability be recorded for the fair value of a conditional asset retirement obligation if the fair value of the obligation can be reasonably estimated. As of September 30, 2020, the Organization is unaware of any such obligations. The Organization will recognize a liability in the period in which they become aware of such liability and sufficient information is available to reasonably estimate its fair value.

**Functional allocation of expenses:** Salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function. The remaining expenses are specifically allocated whenever practical or are allocated based on space utilization.

**Use of 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.

**Volunteers:** The Organization receives a substantial amount of services donated by individuals in carrying out its programs. No amounts have been reflected in the financial statements for those services.

**New Accounting Pronouncement:** In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). Additionally, in June 2018 the FASB issued Accounting Standards Update (ASU) 2018-08, *Accounting Guidance for Contributions Received and Made*. The ASU (collectively, "ASC 606") and all subsequently issued clarifying ASUs replaced most existing revenue recognition guidance in accounting principles generally accepted in the United States of America ("U.S. GAAP"). The ASU also required expanded disclosures relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers (i.e. members). The Association adopted the new standard effective October 1, 2019, the first day of the Association's fiscal year. The implementation of this standard had no impact on net assets previously reported.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 2 TAX STATUS**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization follows FASB ASC 740, Income Taxes, which clarifies the accounting for uncertainty in income taxes by prescribing the recognition threshold that a tax position is required to meet before being recognized in the financial statements. It also provides guidance on derecognition, classification, interest and penalties, accounting in interim period, disclosure and transition. Management believes the Organization has no material uncertainties in income taxes. Generally, the Organization's tax returns remain open for three years subsequent to their filing for examination by government authorities.

**NOTE 3 AVAILABILITY AND LIQUIDITY**

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. The following table represents the Organization's financial assets as of September 30, 2020, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of donor imposed restrictions or internal board designations. In the event the need arises to utilize the board designated funds for liquidity purposes, the reserves could be drawn upon through board resolution.

<b>Financial Assets at September 30, 2020</b>	<b>Amount</b>
Cash and Cash Equivalents	\$ 2,046,990
Investments	3,538,258
Unconditional Promises to Give	232,198
Accounts Receivable	42,697
Total Financial Assets	<u>5,860,143</u>
Board Designated Funds	(3,075,936)
Donor Restricted Funds	(1,081,872)
Donor Restricted Endowment	(299,079)
Financial Assets Available to Meet General Expenditures over the next Twelve Months	<u><u>\$ 1,403,256</u></u>

**NOTE 4 INVESTMENTS**

Investments carried at fair value consisted of the following at September 30, 2020:

	<b>Fair Value</b>	<b>Cost</b>	<b>Accumulated Unrealized Gains (Losses)</b>
Cash	\$ 131,770	\$ 131,770	\$ -
Marketable Securities	3,406,488	3,148,805	257,683
Total	<u><u>\$3,538,258</u></u>	<u><u>\$3,280,575</u></u>	<u><u>\$ 257,683</u></u>

Investment income consists of the following:

Investment fees	\$ (29,932)
Interest and dividends	97,983
Realized gains (losses)	5,110
Unrealized gains (losses)	64,426
Total Investment Income	<u><u>\$ 137,587</u></u>

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 5 ENDOWMENT**

The changes in fair value of the investments in the endowment accounts for the year ended September 30, 2020 are as follows:

	Board Designated			With Donor Restriction	With Donor Restriction - Endowment		Total
	Shared Services Center	Northern Beaufort County	Hilton Head	Northern Beaufort County	Northern Beaufort County	Hilton Head	
	Beginning of year	\$26,802	\$984,390	\$1,763,290	\$ 176,113	\$224,079	
Realized/unrealized							
Gains/losses	-	1,299	76,699	(8,462)	-	-	69,536
Interest/dividends	-	25,596	55,319	11,091	-	-	92,006
Investment fees	(55)	(7,354)	(18,577)	(4,000)	-	-	(29,986)
Transfers	-	-	200,028	-	-	-	200,028
Withdrawals	-	(31,500)	-	(11,500)	-	-	(43,000)
End of year	<u>\$26,747</u>	<u>\$972,431</u>	<u>\$2,076,759</u>	<u>\$ 163,242</u>	<u>\$224,079</u>	<u>\$75,000</u>	<u>\$3,538,258</u>

**NOTE 6 FAIR VALUE MEASUREMENTS**

The following is a summary of the levels within the fair value hierarchy for the Boys & Girls Clubs of the Lowcountry, Inc. assets and liabilities as of September 30, 2020:

	2020			
	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	\$ 2,178,760	\$ -	\$ -	\$ 2,178,760
Investments:				
Marketable securities	3,406,488	-	-	3,406,488
Total	<u>\$ 5,585,248</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,585,248</u>

**NOTE 7 PROMISES TO GIVE**

Promises to give in two to ten years are recorded at net present value. Unconditional promises to give consist of the following at September 30, 2020:

Receivable in less than one year	\$ 141,648
Receivable in two to five years	90,550
Gross Receivable	232,198
Less: allowance for doubtful accounts	-
Net Promises to Give	<u>\$ 232,198</u>

Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Boys & Girls Clubs of the Lowcountry, Inc. has received verbal communications from potential donors naming the Boys & Girls Clubs of the Lowcountry, Inc. as a beneficiary to their life insurance policies, wills, and charitable trusts. These conditional promises have not been recognized. There has been no allowance for doubtful accounts established because it is the opinion of management that all amounts have been deemed fully collectible.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 8 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at September 30, 2020:

Land and Land Improvements	\$ 275,977
Construction in Progress	93,851
Buildings	7,004,083
Leasehold Improvements	8,832
Vehicles	245,062
Furniture and Equipment	837,285
Total Property and Equipment	<u>8,465,090</u>
Less Accumulated Depreciation	<u>(4,477,930)</u>
Net Property and Equipment	<u>\$ 3,987,160</u>

The building at the Bluffton Unit is located on land owned by Beaufort County School District. The Boys & Girls Clubs of the Lowcountry, Inc. has a 99 year lease to occupy the building that will expire in year 2102.

Depreciation for the year was \$316,400 and was charged as follows:

Shared Services	\$ 505
Northern Beaufort County	6,336
Hilton Head	203,499
Bluffton	100,529
Jasper	5,531
Total Depreciation Expense	<u>\$ 316,400</u>

**NOTE 9 ACCRUED EXPENSES**

Compensated vacation and sick leave are provided to all full-time employees. The annual leave is based on the number of years of employment. Sick leave does not vest; accordingly, no liability is accrued. The liability of \$25,551 for compensated absences including employee benefits at September 30, 2020 is reported in accrued expenses.

**NOTE 10 IN-KIND**

Donated property and other noncash donations are recorded as contributions at their estimated fair value in the period in which each contribution was made based on the date of donation. The following is a summary of the amounts recorded as in-kind revenues and expenses in the financial statements.

	<b>Revenues Program</b>	<b>Expenses Program</b>
Rent	\$ 65,600	\$ 65,600
Total	<u>\$ 65,600</u>	<u>\$ 65,600</u>



**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 11 OPERATING LEASES**

The Organization has various leases on office and equipment that have terms that range from three to five years in duration. It is anticipated that these leases will be renewed at the end of the lease. Future minimum lease payments for the years ending September 30 are as follows:

Year Ending	Amount
2021	\$ 50,846
2022	34,374
2023	24,461
2024	21,901
2025	14,601
Total Minimum Lease Requirements	\$ 146,183

**NOTE 12 RETIREMENT PLAN**

The Boys & Girls Clubs of the Lowcountry, Inc. has a money purchase pension plan covering all full time employees having completed twelve months of full time employment with the Boys & Girls Clubs of the Lowcountry, Inc., or another Boys & Girls Clubs of America. Under the plan, 3 percent of each qualifying employee's salary was contributed to their pension account for fiscal year 2020. Total pension cost for the year ended September 30, 2020 is \$31,195.

**NOTE 13 NOTES PAYABLE**

The Boys & Girls Clubs of the Lowcountry, Inc. had an open end line of credit agreement that matured on May 21, 2020 with a local bank for a total of \$300,000 at a variable interest rate (not to be less than 5%). This loan is secured by a negative pledge for property located at 151 Gum Tree Road, Hilton Head Island, South Carolina. At September 30, 2020, the balance outstanding was \$0. Interest paid was \$3,310 for the year ended September 30, 2020.

The Paycheck Protection Program (PPP) is a loan program that originated from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The loans are backed by the Small Business Administration (SBA). The Boys & Girls Clubs of the Lowcountry, Inc. took out a PPP loan in the amount of \$430,688 with a fixed interest rate of 1% for two years. The Organization intends to use the proceeds of the loan consistent with the conditions for forgiveness. It is anticipated that the PPP loan will be forgiven in full.

**NOTE 14 NET ASSETS DESIGNATIONS**

The following details board designated net assets without donor restrictions, net assets with donor restriction, and endowment net assets with donor restrictions at September 30, 2020.

<b>Board Designated Net Assets Without Donor Restriction</b>		
Shared Services Center	Cash	\$ 26,747
Northern Beaufort County	Investments	972,431
Hilton Head	Investments	2,076,758
Total Board Designated Net Assets Without Donor Restriction		\$ 3,075,936

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 14 NET ASSETS DESIGNATIONS - CONTINUED**

**Net Assets with Donor Restriction**

	<b>Shared Services Center</b>	<b>Northern Beaufort County</b>	<b>Hilton Head</b>	<b>Bluffton</b>	<b>Jasper</b>	<b>Total</b>
United Way	\$ -	\$ 29,203	\$ 11,954	\$ 18,937	\$ 18,844	\$ 78,938
Clubs & Activities	-	3,640	5,947	26,948	694	37,229
Earnings	-	163,296	-	4,407	104	167,807
Scholarship	3,750	-	12,355	-	-	16,105
Education/Leadership	-	-	57,360	(697)	-	56,663
Technology	-	-	8,613	18,043	-	26,656
Health & Medical	-	-	-	33	-	33
Capital Campaign	-	-	415,876	-	-	415,876
Sports	-	-	6,750	2,291	-	9,041
Career Opportunities	-	3	2,450	34,876	-	37,329
Fine Arts	-	-	7,295	686	-	7,981
Other Specific Activities	-	-	168,260	32,339	27,615	228,214
<b>Total</b>	<b>\$ 3,750</b>	<b>\$ 196,142</b>	<b>\$ 696,860</b>	<b>\$ 137,863</b>	<b>\$ 47,257</b>	<b>\$ 1,081,872</b>

**Net Assets With Donor Restriction - Endowment**

**Northern Beaufort County**

Northern Beaufort County	Perpetual Fund	<u>\$ 224,079</u>
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**Hilton Head**

Hilton Head	Perpetual Fund	<u>75,000</u>
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Total Endowment		<u><u>\$ 299,079</u></u>
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**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 15 NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. Net assets were released for the year ended September 30, 2020 as follows:

	<b>Shared Services Center</b>	<b>Northern Beaufort County</b>	<b>Hilton Head</b>	<b>Bluffton</b>	<b>Jasper</b>	<b>Total</b>
United Way	\$ -	\$ 32,984	\$ 9,697	\$ 19,939	\$ 16,035	\$ 78,655
Capital Campaign	-	-	238,821	-	-	238,821
PR Earnings	-	11,527	829	-	7	12,363
Clubs & Activities	-	1,045	2,263	8,656	-	11,964
Education/Leadership	-	-	22,601	22,364	-	44,965
Fine Arts	-	-	1,466	3,461	-	4,927
Other Specific Activities	-	922	-	58,097	754	59,773
Scholarship	148,825	167	3,265	7,579	-	159,836
Sports	-	-	300	2,088	-	2,388
Technology	-	-	10,271	5,216	-	15,487
Teen Programs	-	-	4,655	-	15,798	20,453
Total	<u>\$ 148,825</u>	<u>\$ 46,645</u>	<u>\$ 294,168</u>	<u>\$ 127,400</u>	<u>\$ 32,594</u>	<u>\$ 649,632</u>

**NOTE 16 COMMITMENTS AND CONTINGENCIES**

**Legal Matters**

The Organization is subject to claims and legal actions arising in the ordinary course of business. In the opinion of management, the outcome of such actions will not have a material adverse effect on the financial position of the Organization.

**Federal Financial Assistance**

Federally funded programs are routinely subject to special audits that could result in claims against the resources of the Organization. Management does not believe that there will be any claims arising from such audits that could have a material adverse effect on the financial position of the Organization.

**Lease Commitment**

During August 2015 the Organization entered a lease with the Town of Hilton Head Island, South Carolina (Town) to lease a certain piece of land adjacent the Hilton Head Island Club's existing facility. The agreement is for a period of forty-five years and has a nominal annual rental obligation. It restricts the use of the land to use either by the First Tee to create a training facility or for general Organization use. Terms include indemnification of the Town of Hilton Head and certain insurance requirements including a minimum of five million dollars of liability coverage.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 16 COMMITMENTS AND CONTIGENCIES - CONTINUED**

The Organization simultaneously entered a parallel sub-let agreement with the Hilton Head Foundation to Support Youth Sports Inc., a not-for-profit corporation doing business as the First Tee of the Low Country (First Tee) under which it assumes obligations for the development and operation of the facility land so leased and indemnifies the Organization. In addition, and as part of this agreement, the First Tee agreed to lease a certain portion of the Organization's existing office space.

On August 20, 2020, the Organization entered into a contract for the construction of a new Pavilion for the Hilton Head Island Club. The projected costs are \$375,000. \$200,000 will come from the Town of Hilton Head in the form of a HUD grant. The remaining \$175,000 will be paid from the Hilton Head Club's capital funds. During the fiscal year, approximately \$92,000 has been paid for this project from the capital funds. Construction is due to complete on March 1, 2021.

**NOTE 17 EVALUATION OF SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through January 30, 2021, the date which the financial statements were available to be issued. On March 11, 2020, the World Health Organization declared a pandemic due to Covid-19. Subsequently, South Carolina Governor, Henry McMaster, ordered all public schools to be closed on March 15, 2020. This order was extended until the end of the school year. In response, the Organization closed clubs on March 16, 2020. 116 part-time staff members were laid off on March 23<sup>rd</sup>, while 22 full-time employees have been retained. The Organization also acquired a Paycheck Protection Program loan in the amount of \$430,688 to pay the full-time staff through July. No date has been set for reopening yet.

SUPPLEMENTARY  
INFORMATION

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**COMBINING STATEMENT OF FINANCIAL POSITION - WITHOUT DONOR RESTRICTION**  
**SEPTEMBER 30, 2020**

	<u>SHARED SERVICES CENTER</u>	<u>NORTHERN BEAUFORT COUNTY</u>	<u>HILTON HEAD</u>	<u>BLUFFTON</u>	<u>JASPER</u>	<u>TOTAL</u>
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 331,452	\$ 101,688	\$ 596,793	\$ 197,242	\$ 133,383	\$ 1,360,558
Investments	26,747	972,431	2,076,759	-	-	3,075,937
Accounts Receivable	-	15,300	-	18,597	8,800	42,697
Prepaid Expenses	1,063	-	44,322	-	(329)	45,056
Property Held for Resale	-	399,800	-	-	-	399,800
Property and Equipment - Net	8,969	17,210	2,171,516	1,753,930	35,535	3,987,160
Total Assets	<u>\$ 368,231</u>	<u>\$ 1,506,429</u>	<u>\$ 4,889,390</u>	<u>\$ 1,969,769</u>	<u>\$ 177,389</u>	<u>\$ 8,911,208</u>
<b>LIABILITIES AND NET ASSETS</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 8,702	\$ 456	\$ 23,130	\$ 6,967	\$ (91)	\$ 39,164
Salaries Payable	9,197	3,032	46,414	25,511	3,244	87,398
Accrued Expenses	5,434	-	5,120	14,566	431	25,551
PPP Loan	430,688	-	-	-	-	430,688
Unearned Revenues	1,000	-	99,518	30,000	-	130,518
Total Liabilities	<u>455,021</u>	<u>3,488</u>	<u>174,182</u>	<u>77,044</u>	<u>3,584</u>	<u>713,319</u>
<b>Net Assets</b>						
Without Donor Restriction	(122,506)	513,300	466,934	138,795	138,270	1,134,793
Board Designated	26,747	972,431	2,076,758	-	-	3,075,936
Property and Equipment	8,969	17,210	2,171,516	1,753,930	35,535	3,987,160
Total Net Assets	<u>(86,790)</u>	<u>1,502,941</u>	<u>4,715,208</u>	<u>1,892,725</u>	<u>173,805</u>	<u>8,197,889</u>
Total Liabilities and Net Assets	<u>\$ 368,231</u>	<u>\$ 1,506,429</u>	<u>\$ 4,889,390</u>	<u>\$ 1,969,769</u>	<u>\$ 177,389</u>	<u>\$ 8,911,208</u>

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**COMBINING STATEMENT OF ACTIVITIES - WITHOUT DONOR RESTRICTION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>SHARED SERVICES CENTER</u>	<u>NORTHERN BEAUFORT COUNTY</u>	<u>HILTON HEAD</u>	<u>BLUFFTON</u>	<u>JASPER</u>	<u>TOTAL</u>
<b>REVENUES AND SUPPORT</b>						
Fund Raising Events						
Revenue Generated	\$ 1,818	\$ 90,434	\$ 514,827	\$ 260,837	\$ 34,620	\$ 902,536
Less Direct Costs of Events	<u>(2,592)</u>	<u>(24,602)</u>	<u>(54,148)</u>	<u>(22,315)</u>	<u>(5,848)</u>	<u>(109,505)</u>
Fund Raising in Excess of Direct Costs	(774)	65,832	460,679	238,522	28,772	793,031
Contributions	55,324	121,359	461,140	458,654	89,130	1,185,607
In-kind Contributions	-	47,600	-	-	18,000	65,600
Trusts and Foundations	100,000	75,800	310,000	31,234	80,580	597,614
Membership Dues	-	450	-	2,970	380	3,800
Government Funds	-	6,500	-	-	196,641	203,141
Program Fees	-	54,465	169,384	258,308	15,109	497,266
Investment Income	573	19,542	114,860	26	-	135,001
Rental of Facility	-	30	28,005	300	-	28,335
Miscellaneous Income	27,437	7,076	-	14,409	2,044	50,966
Net Assets Released from Restrictions	<u>148,825</u>	<u>46,645</u>	<u>294,168</u>	<u>127,400</u>	<u>32,594</u>	<u>649,632</u>
Total Revenues and Support	<u>331,385</u>	<u>445,299</u>	<u>1,838,236</u>	<u>1,131,823</u>	<u>463,250</u>	<u>4,209,993</u>
<b>FUNCTIONAL EXPENSES</b>						
Program Services	127,741	318,364	1,214,768	917,362	231,921	2,810,156
General and Administrative	364,420	11,893	44,133	65,604	31,700	517,750
Fundraising	<u>119,416</u>	<u>8,279</u>	<u>81,325</u>	<u>70,918</u>	<u>5,887</u>	<u>285,825</u>
Total Functional Expenses	<u>611,577</u>	<u>338,536</u>	<u>1,340,226</u>	<u>1,053,884</u>	<u>269,508</u>	<u>3,613,731</u>
Shared Costs Allocated	<u>428,777</u>	<u>(129,929)</u>	<u>(129,924)</u>	<u>(129,924)</u>	<u>(39,000)</u>	<u>-</u>
Change in Net Assets	148,585	(23,166)	368,086	(51,985)	154,742	596,262
Net Assets, Beginning of Year	(244,849)	1,535,317	4,347,122	1,944,710	19,327	7,601,627
Transfer of Net Assets	9,474	(9,210)	-	-	(264)	-
Net Assets, End of Year	<u>\$ (86,790)</u>	<u>\$ 1,502,941</u>	<u>\$ 4,715,208</u>	<u>\$ 1,892,725</u>	<u>\$ 173,805</u>	<u>\$ 8,197,889</u>

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**COMBINING STATEMENT OF FINANCIAL POSITION - WITH DONOR RESTRICTION**  
**SEPTEMBER 30, 2020**

	<u>SHARED SERVICES CENTER</u>	<u>NORTHERN BEAUFORT COUNTY</u>	<u>HILTON HEAD</u>	<u>BLUFFTON</u>	<u>JASPER</u>	<u>TOTAL</u>
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 3,750	\$ 3,697	\$ 531,646	\$ 118,926	\$ 28,413	\$ 686,432
Investments	-	387,321	75,000	-	-	462,321
Unconditional Promises to Give	-	29,203	165,214	18,937	18,844	232,198
Total Assets	<u>\$ 3,750</u>	<u>\$ 420,221</u>	<u>\$ 771,860</u>	<u>\$ 137,863</u>	<u>\$ 47,257</u>	<u>\$ 1,380,951</u>
<b>LIABILITIES AND NET ASSETS</b>						
Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Assets</b>						
With Donor Restriction	3,750	196,142	696,860	137,863	47,257	1,081,872
With Donor Restriction - Endowment	-	224,079	75,000	-	-	299,079
Total Net Assets	<u>3,750</u>	<u>420,221</u>	<u>771,860</u>	<u>137,863</u>	<u>47,257</u>	<u>1,380,951</u>
Total Liabilities and Net Assets	<u>\$ 3,750</u>	<u>\$ 420,221</u>	<u>\$ 771,860</u>	<u>\$ 137,863</u>	<u>\$ 47,257</u>	<u>\$ 1,380,951</u>



**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.**  
**COMBINING STATEMENT OF ACTIVITIES - WITH DONOR RESTRICTION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>SHARED SERVICES CENTER</u>	<u>NORTHERN BEAUFORT COUNTY</u>	<u>HILTON HEAD</u>	<u>BLUFFTON</u>	<u>JASPER</u>	<u>TOTAL</u>
<b>REVENUES AND SUPPORT</b>						
Contributions	\$ -	\$ 4,750	\$ 88,583	\$ 223,636	\$ -	\$ 316,969
Investment Income	371	(1,347)	2,703	455	404	2,586
Miscellaneous Income	108,220	-	-	-	-	108,220
Net Assets Released from Restrictions	(148,825)	(46,645)	(294,168)	(127,400)	(32,594)	(649,632)
Total Revenues and Support	<u>(40,234)</u>	<u>(43,242)</u>	<u>(202,882)</u>	<u>96,691</u>	<u>(32,190)</u>	<u>(221,857)</u>
<b>FUNCTIONAL EXPENSES</b>						
Program Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Functional Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	(40,234)	(43,242)	(202,882)	96,691	(32,190)	(221,857)
Net Assets, Beginning of Year	43,984	463,463	974,742	41,172	79,447	1,602,808
Net Assets, End of Year	<u>\$ 3,750</u>	<u>\$ 420,221</u>	<u>\$ 771,860</u>	<u>\$ 137,863</u>	<u>\$ 47,257</u>	<u>\$ 1,380,951</u>