

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2014

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BOYS & GIRLS CLUBS
OF THE LOWCOUNTRY

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ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditors' Report	1
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7

SUPPLEMENTARY INFORMATION

Combining Statement of Financial Position - Unrestricted Fund	19
Combining Statement of Activities - Unrestricted Fund	20
Combining Statement of Financial Position - Temporarily Restricted Fund	21
Combining Statement of Activities - Temporarily Restricted Fund	22
Combining Statement of Financial Position - Permanently Restricted Fund	23
Combining Statement of Activities - Permanently Restricted Fund	24

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2014

ASSETS	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
Cash and Cash Equivalents	\$ 241,991	\$ 504,958	\$ -	\$ 746,949
Investments	1,060,184	146,962	384,027	1,591,173
Due (To) From Other Clubs	12,500	-	(12,500)	-
Unconditional Promises to Give	-	150,000	-	150,000
Accounts Receivable	63,524	-	-	63,524
Inter Club Advances Receivable	58,000	-	-	58,000
Notes Receivable	996,259	-	-	996,259
Prepaid Expenses	19,469	-	-	19,469
Property and Equipment - Net	3,912,193	-	-	3,912,193
Total Assets	<u>\$ 6,364,120</u>	<u>\$ 801,920</u>	<u>\$ 371,527</u>	<u>\$ 7,537,567</u>
 LIABILITIES AND NET ASSETS				
Accounts Payable	\$ 137,792	\$ -	\$ -	\$ 137,792
Salaries Payable	62,939	-	-	62,939
Accrued Expenses	25,020	-	-	25,020
Amount Held for Others	-	241,563	-	241,563
Inter Club Advances Payable	58,000	-	-	58,000
Notes Payable	116,003	-	-	116,003
Total Liabilities	<u>399,754</u>	<u>241,563</u>	<u>-</u>	<u>641,317</u>
 Net Assets				
Unrestricted	979,489	-	-	979,489
Board Designated Unrestricted	1,072,684	-	-	1,072,684
Property and Equipment	3,912,193	-	-	3,912,193
Temporarily Restricted	-	560,357	-	560,357
Permanently Restricted	-	-	371,527	371,527
Total Net Assets	<u>5,964,366</u>	<u>560,357</u>	<u>371,527</u>	<u>6,896,250</u>
 Total Liabilities and Net Assets	<u>\$ 6,364,120</u>	<u>\$ 801,920</u>	<u>\$ 371,527</u>	<u>\$ 7,537,567</u>

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, 2014

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
REVENUES AND SUPPORT				
Contributions	\$ 606,698	\$ 401,932	\$ -	\$ 1,008,630
In-kind Contributions	48,100	-	-	48,100
Trusts and Foundations	234,225	-	-	234,225
United Way	9,625	100,000	-	109,625
Membership Dues	148,170	-	-	148,170
Government Funds	41,406	-	-	41,406
Program Fees	274,983	-	-	274,983
Special Events	677,662	86,785	-	764,447
Investment Income	102,794	51,616	10,666	165,076
Rental of Facility	167,237	-	-	167,237
Concessions	370	-	-	370
Miscellaneous Income	6,436	-	-	6,436
Net Assets Released from Restrictions	546,175	(546,175)	-	-
Total Revenues and Support	<u>2,863,881</u>	<u>94,158</u>	<u>10,666</u>	<u>2,968,705</u>
FUNCTIONAL EXPENSES				
Program Services	2,745,207	-	-	2,745,207
General and Administrative	481,501	-	-	481,501
Fundraising	199,067	-	-	199,067
Total Functional Expenses	<u>3,425,775</u>	<u>-</u>	<u>-</u>	<u>3,425,775</u>
Increase (Decrease) in Net Assets	(561,894)	94,158	10,666	(457,070)
Loss on Closure of Beaufort Club	<u>(234,717)</u>	<u>(67,875)</u>	<u>-</u>	<u>(302,592)</u>
Change in Net Assets	(796,611)	26,283	10,666	(759,662)
Net Assets, Beginning of Year	6,760,977	441,976	452,959	7,655,912
Transfer of Club Assets	-	92,098	(92,098)	-
Net Assets, End of Year	<u>\$ 5,964,366</u>	<u>\$ 560,357</u>	<u>\$ 371,527</u>	<u>\$ 6,896,250</u>

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, 2014

	SUPPORTING SERVICES			TOTAL
	PROGRAM SERVICES	GENERAL		
		AND ADMINISTRATIVE	FUND RAISING	
Salaries	1,191,112	\$ 230,469	\$ -	\$ 1,421,581
Payroll Taxes	136,928	32,901	-	169,829
Pension	21,673	5,219	-	26,892
Health Insurance	112,030	33,888	-	145,918
Workers Compensation	25,143	3,760	-	28,903
Other Benefits	292	-	-	292
Total Personnel Expenses	<u>1,487,178</u>	<u>306,237</u>	<u>-</u>	<u>1,793,415</u>
Professional Fees	46,344	87,354	-	133,698
Postage	4,530	1,429	-	5,959
Office Supplies	19,837	2,496	-	22,333
Housekeeping Supplies	12,582	-	-	12,582
Medical Supplies	943	-	-	943
Program Supplies	25,531	-	-	25,531
Food Supplies	2,398	-	-	2,398
Meeting Supplies	3,613	1,844	-	5,457
Concession Supplies	68	-	-	68
Snack Expense	13,596	-	-	13,596
Telephone	22,342	6,218	-	28,560
Utilities	169,314	-	-	169,314
Building and Ground Maintenance	99,954	-	-	99,954
Equipment Repairs	17,904	-	-	17,904
Vehicle Repairs	5,746	50	-	5,796
License	93	5	-	98
Insurance	105,459	7,437	-	112,896
Interest	1,780	-	-	1,780
Bank and Investment Charges	18,210	5,914	-	24,124
Printing	19,630	6,570	-	26,200
Travel	16,976	10,862	-	27,838
Conferences and Training	4,588	7,710	-	12,298
Rent Expense	50,480	14,389	-	64,869
Property Taxes	4,637	62	-	4,699
Activity Fees	247,049	-	-	247,049
National Dues	8,213	1,842	-	10,055
Civic Dues	1,422	1,450	-	2,872
Professional Organizations	310	3,100	-	3,410
Interest Expense	3,452	4,316	-	7,768
Staff Apparel	771	-	-	771
Club Merchandising Expense	3,604	-	-	3,604
Awards	557	-	-	557
Equipment	4,099	484	-	4,583
Miscellaneous	9,558	11,732	199,067	220,357
Total Expenses Before Depreciation	<u>2,432,768</u>	<u>481,501</u>	<u>199,067</u>	<u>3,113,336</u>
Depreciation	<u>312,439</u>	<u>-</u>	<u>-</u>	<u>312,439</u>
Total Functional Expenses	<u>\$ 2,745,207</u>	<u>\$ 481,501</u>	<u>\$ 199,067</u>	<u>\$ 3,425,775</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, 2014

	2014
Cash Flows From Operating Activities	
Net income (loss)	\$ (457,070)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities	
Depreciation	312,439
(Increase) decrease in accounts receivable	(44,099)
(Increase) decrease in prepaid assets	2,625
(Increase) decrease in promises to give	(16,123)
Increase (decrease) in accounts payable	25,893
Increase (decrease) in salaries payable and other benefits	(1,638)
Increase (decrease) in other accrued liabilities	249,881
Total adjustments	528,978
Net Cash Provided (Used) by Operating Activities	71,908
 Cash Flows From Investing Activities	
(Increase) decrease in investments	(103,196)
Disposal of capital assets	1,377,828
Purchases of capital assets	(62,888)
Net Cash Provided (Used) by Investing Activities	1,211,744
 Cash Flows From Financing Activities	
Note receivable from sale of asset	(996,259)
Increase in short-term debt	(68,997)
Net Cash Provided (Used) by Financing Activities	(1,065,256)
 NET INCREASE (DECREASE) IN CASH	 218,396
 CASH AT BEGINNING OF YEAR	 528,553
 CASH AT END OF YEAR	 \$ 746,949
 <u>Supplemental Disclosures</u>	
 Cash Paid During the Year for:	
Interest	\$ 7,662

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, 2014

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 Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

In June 2009, the Financial Accounting Standards Board (FASB) established the FASB Accounting Standards Codification as the source of authoritative United States generally accepted accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with generally accepted accounting principles. This authoritative guidance has been applied in the preparation of the Organization's financial statements as of September 30, 2014. The following accounting policies are presented to facilitate the understanding of information presented in the financial statements.

Net Assets: The financial statements are presented in accordance with authoritative guidance as required by the FASB Accounting Standards Codification for Not-for-Profit Entities ASC 958, which requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The permanently restricted net assets have been set aside to accumulate resources to assist club members with medical needs. The income on this fund is released to temporary restricted assets each quarter. Also included in the permanently restricted net assets is a perpetual fund for the Hilton Head Unit.

Contributions: Contributions received, including unconditional pledges, are recognized as revenue when donors' commitments are received. Pledges made and collected in the same reporting period are recorded when received in the appropriate net asset category.

Unconditional promises to give are recognized as revenues or gains in the period the promise is received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted support. Absent donor stipulations regarding how long those assets must be maintained, the Organization reports expirations of donor restriction when the acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

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 costs 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 10 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, 2014

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. and,
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 unrestricted net assets as of September 30, 2014. 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 unrestricted net assets.

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, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The Board may apply up to five to eight percent of the fair value of the board designated unrestricted net assets for support of annual operations as approved in the budget for the next fiscal year, based on the fair value of the board designated unrestricted net assets on the June 30th preceding the next fiscal year. With a vote of 75% of the Board, additional amounts of the board designated unrestricted net assets 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 expand 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, 2014

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 deposits. The book balance of the Organization is \$799,152 while the bank balance is \$707,280 of which \$416,086 was insured by the FDIC. The balance of \$291,695 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. Interest of \$3,455 was paid on the line of credit.

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, 2014, 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.

**BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Contingencies: The Boys & Girls Clubs of the Lowcountry, Inc. is a recipient of federal grants. Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal or state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial. The federal financial assistance received by the Organization was less than the threshold requiring a single audit.

The Boys & Girls Clubs of the Lowcountry, Inc. 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 Boys & Girls Clubs of the Lowcountry, Inc.

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 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. The Organization is no longer subject to income tax examination by the federal or state authorities for years before 2010.

NOTE 3 INVESTMENTS

Investments carried at fair value consisted of the following at September 30, 2014:

	Fair Value	Cost	Accumulated Unrealized Gains (Losses)
Cash	\$ 52,203	\$ 52,203	\$ -
Marketable Securities	1,538,970	1,207,212	331,758
Total	<u>\$ 1,591,173</u>	<u>\$ 1,259,415</u>	<u>\$ 331,758</u>

Investment income consists of the following:

Interest and dividends	\$ 42,519
Realized Gains (Losses)	55,173
Unrealized Gains (Losses)	67,384
	<u>\$ 165,076</u>

Investment management expenses were approximately \$9,164.

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 4 ENDOWMENT

The changes in fair value of the investments in the endowment accounts for the year ended September 30, 2014 are as follows:

	<u>Board Designated</u>			<u>Temporarily Restricted</u>		<u>Permanently Restricted</u>		<u>Total</u>
	<u>Corporate</u>	<u>Beaufort</u>	<u>Hilton Head</u>	<u>Beaufort</u>	<u>Bridges</u>	<u>Beaufort</u>	<u>Hilton Head</u>	
Beginning of year	\$ 26,987	\$ 179	\$ 1,000,500	\$ 92,097	\$ 7,352	\$ 224,079	\$ 136,782	\$ 1,487,976
Realized/unrealized								
Gains/losses	-	-	73,203	41,833	-	-	6,760	121,796
Interest/dividends	-	-	27,528	9,130	-	-	3,906	40,564
Investment fees	-	-	(5,713)	(3,450)	-	-	-	(9,163)
Withdrawals	-	-	(50,000)	-	-	-	-	(50,000)
End of year	<u>\$ 26,987</u>	<u>\$ 179</u>	<u>\$ 1,045,518</u>	<u>\$ 139,610</u>	<u>\$ 7,352</u>	<u>\$ 224,079</u>	<u>\$ 147,448</u>	<u>\$ 1,591,173</u>

NOTE 5 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, 2014:

	<u>2014</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$ 746,949	\$ -	\$ -	\$ 746,949
Investments:				
Marketable securities	1,591,173	-	-	1,591,173
Total	<u>\$ 2,338,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,338,122</u>

NOTE 6 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, 2014:

Receivable in less than one year	\$ 100,000
Receivable in two to five years	50,000
Gross Receivable	<u>150,000</u>
Less: allowance for doubtful accounts	-
Net Promises to Give	<u>\$ 150,000</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, 2014

NOTE 7 NOTES RECEIVABLE

The Boys & Girls Clubs of the Lowcountry, Inc. sold the Beaufort facility and financed a portion of the sale with a note receivable of \$1,000,000. The terms of the note receivable established monthly payments of \$7,908 including interest of 5% over a period of 15 years. The balance as of September 30, 2014 was \$996,259.

NOTE 8 PROPERTY AND EQUIPMENT

Property and equipment consists of the following at September 30, 2014:

Land and Land Improvements	\$ 275,977
Buildings	3,931,544
Leasehold Improvements	2,031,689
Vehicles	256,438
Furniture and Equipment	534,877
Total Property and Equipment	<u>7,030,525</u>
Less: Accumulated Depreciation	<u>(3,118,332)</u>
Net Property and Equipment	<u>\$ 3,912,193</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 \$312,439 and was charged as follows:

Beaufort	\$ 55,992
Sheldon	3,919
Hilton Head	157,227
Bluffton	95,301
Total Depreciation Expense	<u>\$ 312,439</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 \$25,020 for compensated absences including employee benefits at September 30, 2014 is reported in accrued expenses.

NOTE 10 IN-KIND

The following is a summary of the amounts recorded as in-kind revenues and expenses in the financial statements.

	<u>Revenues</u> <u>Program</u>	<u>Expenses</u> <u>Program</u>
Rent	\$ 45,600	\$ 45,600
Program	2,500	2,500
	<u>\$ 48,100</u>	<u>\$ 48,100</u>

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 11 OPERATING LEASES

The Organization has various leases on office and security 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
2015	\$ 13,435
2016	11,999
2017	10,740
2018	9,481
2019	-
Total Minimum Lease Requirements	\$ 45,655

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 2014. Total pension cost for the year ended September 30, 2014 is \$26,892.

NOTE 13 NOTES PAYABLE

The Boys & Girls Clubs of the Lowcountry, Inc. has an open end line of credit agreement that expires July 1, 2014 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, 2014, the balance outstanding was \$116,003. Interest paid was \$7,662 for the year ended September 30, 2014.

NOTE 14 NET ASSETS DESIGNATIONS

The following details board designated unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets at September 30, 2014.

Board Designated Unrestricted Net Assets

Corporate	Cash	\$ 26,987
Beaufort	Investments	179
Hilton Head	Investments	1,045,518
Total Board Designated Unrestricted Net Assets		\$ 1,072,684

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 14 NET ASSETS DESIGNATIONS - CONTINUED

Temporarily Restricted Net Assets

	Corporate	Beaufort	Sheldon	Hilton Head	Bluffton	Jasper	Bridges	Shankin	Total
United Way	\$ -	\$ -	\$ 22,500	\$ 37,500	\$ 33,750	\$ 30,000	\$ -	\$ 26,850	\$ 150,600
Clubs & Activities	-	-	(16)	55,304	(7,296)	455	2,283	-	50,730
PR Earnings	-	139,610	-	-	-	-	-	-	139,610
Club Improvements	-	-	-	-	1,083	-	-	-	1,083
Scholarship	-	-	166	12,178	697	-	778	-	13,819
Education/Leadership	2,161	-	118	19,950	503	-	8,149	-	30,881
Technology	-	-	-	26,062	1,250	-	-	-	27,312
Health & Medical	-	-	-	21,047	32	-	-	-	21,079
Reading Center	-	-	-	21,487	50,728	-	-	-	72,215
Sports	-	-	-	5,601	2,193	-	-	-	7,794
Career Opportunities	-	-	-	2,450	-	-	14,354	-	16,804
Fine Arts	-	-	-	536	955	-	-	-	1,491
Healthy Eating	-	-	1,280	4,720	-	2,422	(202)	-	8,220
Other Specific Activities	-	178	4,998	550	9,416	3,577	-	-	18,719
Total	\$ 2,161	\$ 139,788	\$ 29,046	\$ 207,385	\$ 93,311	\$ 36,454	\$ 25,362	\$ 26,850	\$ 560,357

Permanently Restricted Assets

Beaufort

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

Medical Needs	Programs	122,121
Hilton Head	Perpetual Fund	<u>25,327</u>
Total Hilton Head		<u>147,448</u>

Total Permanently Restricted Net Assets		<u><u>\$ 371,527</u></u>
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BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

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, 2014 as follows:

	Corporate	Beaufort	Sheldon	Hilton Head	Bluffton	Jasper	Bridges	Total
United Way	\$ -	\$ (8,457)	\$ 15,906	\$ 26,789	\$ 27,464	\$ 20,424	\$ 1,750	\$ 83,876
Career Opportunities	-	14,354	-	-	-	-	-	14,354
PR Earnings	-	3,681	-	-	-	-	-	3,681
Clubs & Activities	-	2,858	10,938	99,215	60,263	4,231	30	177,535
Education/Leadership	1,870	72,808	-	11,933	73,913	5,382	577	166,483
Environmental	-	835	-	-	-	-	-	835
Fine Arts	-	7,750	458	-	170	-	-	8,378
Healthy Eating	-	575	1,524	55,476	-	5,339	-	62,914
Other Specific Activities	(14,287)	(26,558)	-	-	-	-	-	(40,845)
Out of Zone Busing	-	-	-	(3,344)	-	-	-	(3,344)
Reading Center	-	-	-	9,513	-	-	-	9,513
Scholarship	-	3,093	-	8,785	3,275	-	-	15,153
Sports	-	-	-	1,546	3,005	(413)	-	4,138
Technology	-	-	-	12,004	26,500	-	-	38,504
Time Restriction	-	-	-	3,900	-	-	-	3,900
Training	-	-	-	-	-	1,100	-	1,100
Total	<u>\$ (12,417)</u>	<u>\$ 70,939</u>	<u>\$ 28,826</u>	<u>\$ 225,817</u>	<u>\$ 194,590</u>	<u>\$ 36,063</u>	<u>\$ 2,357</u>	<u>\$ 546,175</u>

NOTE 16 INTER CLUB ADVANCES

The Board agreed to advance \$100,000 from the Beaufort Unit and \$100,000 from the Hilton Head Unit for a total advance of \$200,000 for the purpose of funding the operating deficits of the Allendale, Colleton, Bluffton, and Jasper units. The advance effective December 1, 2009 shall be amortized in four equal annual payments commencing December 1, 2011 and on each December 1 thereafter until the final maturity date of December 1, 2014. Interest on the unpaid balance is at the rate of 5% per annum. No interest was recorded during the year ended September 30, 2014. The obligation to repay said advances and interest thereon is apportioned to the units as follows:

<u>Operating Unit</u>	<u>Dollar Amount</u>
Jasper	<u>\$ 58,000</u>
Total	<u>\$ 58,000</u>

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014

NOTE 17 EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through January 20, 2014, the date which the financial statements were available to be issued. There are no material subsequent events to report.

NOTE 18 RELATED PARTY

Karen Wendel is a board treasurer for the Lowcountry Board and is employed by Wade & Associates that was contracted to takeover the accounting functions for the Organization.

SUPPLEMENTARY
INFORMATION

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
COMBINING STATEMENT OF FINANCIAL POSITION - UNRESTRICTED FUND
SEPTEMBER 30, 2014

ASSETS	CORPORATE	BEAUFORT	SHELDON	HILTON HEAD	BLUFFTON	JASPER	BRIDGES	SHANKLIN	THRIFT STORE	TOTAL
Cash and Cash Equivalents	\$ (77,699)	\$ 99,559	\$ (2,775)	\$ 79,025	\$ 166,049	\$ (13,623)	\$ 2,978	\$ (11,523)	\$ -	\$ 241,991
Investments	26,987	179	-	1,033,018	-	-	-	-	-	1,060,184
Due (To) From Other Clubs	-	-	-	12,500	-	-	-	-	-	12,500
Accounts Receivable	-	-	-	13,235	28,089	22,200	-	-	-	63,524
Inter Club Advances Receivable	-	29,000	-	29,000	-	-	-	-	-	58,000
Note Receivable	-	996,259	-	-	-	-	-	-	-	996,259
Prepaid Expenses	3,256	-	860	8,946	4,198	871	682	-	656	19,469
Property and Equipment - Net	-	-	6,133	2,381,681	1,521,879	-	2,500	-	-	3,912,193
Total Assets	\$ (47,456)	\$ 1,124,997	\$ 4,218	\$ 3,557,405	\$ 1,720,215	\$ 9,448	\$ 6,160	\$ (11,523)	\$ 656	\$ 6,364,120

LIABILITIES AND NET ASSETS

Liabilities										
Accounts Payable	\$ 11,210	\$ 485	\$ 1,620	\$ 63,207	\$ 55,831	\$ 2,342	\$ 2,148	\$ 293	\$ 656	\$ 137,792
Salaries Payable	10,923	-	2,733	15,113	21,147	5,823	3,795	1,891	1,514	62,939
Accrued Expenses	9,152	-	416	5,973	8,314	-	800	-	365	25,020
Inter Club Advances Payable	-	-	-	-	-	58,000	-	-	-	58,000
Notes Payable	111,971	(76,676)	1,803	-	73,321	3,378	1,803	403	-	116,003
Total Liabilities	143,256	(76,191)	6,572	84,293	158,613	69,543	8,546	2,587	2,535	399,754
Net Assets										
Unrestricted	(217,699)	1,201,009	(8,487)	45,913	39,723	(60,095)	(4,886)	(14,110)	(1,879)	979,489
Board Designated	26,987	179	-	1,045,518	-	-	-	-	-	1,072,684
Property and Equipment	-	-	6,133	2,381,681	1,521,879	-	2,500	-	-	3,912,193
Total Net Assets	(190,712)	1,201,188	(2,354)	3,473,112	1,561,602	(60,095)	(2,386)	(14,110)	(1,879)	5,964,366
Total Liabilities and Net Assets	\$ (47,456)	\$ 1,124,997	\$ 4,218	\$ 3,557,405	\$ 1,720,215	\$ 9,448	\$ 6,160	\$ (11,523)	\$ 656	\$ 6,364,120

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
COMBINING STATEMENT OF ACTIVITIES - UNRESTRICTED FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	CORPORATE	BEAUFORT	SHELDON	HILTON HEAD	BLUFFTON	JASPER	BRIDGES	SHANKLIN	THRIFT STORE	TOTAL
REVENUES AND SUPPORT										
Contributions	\$ 17,638	\$ 11,524	\$ 26,475	\$ 279,810	\$ 233,003	\$ 37,863	\$ -	\$ 385	\$ -	\$ 606,698
In-kind Contributions	-	-	9,600	-	-	12,000	14,500	12,000	-	48,100
Trusts and Foundations	10,000	-	31,500	16,725	120,000	56,000	-	-	-	234,225
United Way	-	-	-	-	-	-	-	9,625	-	9,625
Membership Dues	-	135	110	3,284	142,531	1,930	70	110	-	148,170
Government Funds	-	6,446	-	5,200	-	29,760	-	-	-	41,406
Program Fees	-	35,144	6,055	78,555	129,659	6,085	11,660	7,825	-	274,983
Special Events	1,385	71,955	-	308,876	225,385	70,061	-	-	-	677,662
Investment Income	14	1,368	-	101,263	149	-	-	-	-	102,794
Rental of Facility	7,449	139,880	-	12,000	-	-	-	7,908	-	167,237
Concessions	-	-	-	-	370	-	-	-	-	370
Miscellaneous Income	4,200	-	-	403	720	1,113	-	-	-	6,436
Net Assets Released from Restrictions	(12,417)	70,939	28,826	225,817	194,590	36,063	2,357	-	-	546,175
Total Revenues and Support	28,269	337,391	102,566	1,031,933	1,046,407	250,875	28,587	37,853	-	2,863,881
FUNCTIONAL EXPENSES										
Program Services	1,811	355,566	122,394	943,611	1,006,475	230,535	30,973	51,963	1,879	2,745,207
General and Administrative	480,601	-	-	-	-	900	-	-	-	481,501
Fundraising	1,703	-	-	115,390	63,648	18,326	-	-	-	199,067
Total Functional Expenses	484,115	355,566	122,394	1,059,001	1,070,123	249,761	30,973	51,963	1,879	3,425,775
Corporate Allocation Transfers	425,008	(145,696)	(4,464)	(120,000)	(119,484)	(35,364)	-	-	-	-
Increase (Decrease) in Net Assets	(30,838)	(163,871)	(24,292)	(147,068)	(143,200)	(34,250)	(2,386)	(14,110)	(1,879)	(561,894)
Loss on Closure of Beaufort Club	-	(234,717)	-	-	-	-	-	-	-	(234,717)
Change in Net Assets	(30,838)	(398,588)	(24,292)	(147,068)	(143,200)	(34,250)	(2,386)	(14,110)	(1,879)	(796,611)
Net Assets, Beginning of Year	(159,874)	1,599,776	21,938	3,620,180	1,704,802	(25,845)	-	-	-	6,760,977
Net Assets, End of Year	\$ (190,712)	\$ 1,201,188	\$ (2,354)	\$ 3,473,112	\$ 1,561,602	\$ (60,095)	\$ (2,386)	\$ (14,110)	\$ (1,879)	\$ 5,964,366

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
COMBINING STATEMENT OF FINANCIAL POSITION - TEMPORARILY RESTRICTED FUND
SEPTEMBER 30, 2014

	CORPORATE	BEAUFORT	SHELDON	HILTON HEAD	BLUFFTON	JASPER	BRIDGES	SHANKLIN	TOTAL
ASSETS									
Cash and Cash Equivalents	\$ 2,161	\$ 178	\$ 6,546	\$ 411,448	\$ 59,561	\$ 6,454	\$ 18,010	\$ 600	\$ 504,958
Investments	-	139,610	-	-	-	-	7,352	-	146,962
Unconditional Promises to Give	-	-	22,500	37,500	33,750	30,000	-	26,250	150,000
Total Assets	<u>\$ 2,161</u>	<u>\$ 139,788</u>	<u>\$ 29,046</u>	<u>\$ 448,948</u>	<u>\$ 93,311</u>	<u>\$ 36,454</u>	<u>\$ 25,362</u>	<u>\$ 26,850</u>	<u>\$ 801,920</u>

LIABILITIES AND NET ASSETS

Liabilities									
Amount Held for Others	\$ -	\$ -	\$ -	\$ 241,563	\$ -	\$ -	\$ -	\$ -	\$ 241,563
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>241,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>241,563</u>
Net Assets									
Temporarily Restricted	2,161	139,788	29,046	207,385	93,311	36,454	25,362	26,850	560,357
Total Net Assets	<u>2,161</u>	<u>139,788</u>	<u>29,046</u>	<u>207,385</u>	<u>93,311</u>	<u>36,454</u>	<u>25,362</u>	<u>26,850</u>	<u>560,357</u>
Total Liabilities and Net Assets	<u>\$ 2,161</u>	<u>\$ 139,788</u>	<u>\$ 29,046</u>	<u>\$ 448,948</u>	<u>\$ 93,311</u>	<u>\$ 36,454</u>	<u>\$ 25,362</u>	<u>\$ 26,850</u>	<u>\$ 801,920</u>

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
COMBINING STATEMENT OF ACTIVITIES - TEMPORARILY RESTRICTED FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	CORPORATE	BEAUFORT	SHELDON	HILTON HEAD	BLUFFTON	JASPER	BRIDGES	SHANKLIN	TOTAL
REVENUES AND SUPPORT									
Contributions	\$ -	\$ 31,502	\$ 3,305	\$ 159,107	\$ 190,815	\$ 17,203	\$ -	\$ -	\$ 401,932
United Way	-	-	15,000	25,000	22,500	20,000	-	17,500	100,000
Special Events	2,160	-	3,175	76,575	1,700	3,175	-	-	86,785
Investment Income	(552)	51,371	40	598	141	7	11	-	51,616
Net Assets Released from Restrictions	12,417	(70,939)	(28,826)	(225,817)	(194,590)	(36,063)	(2,357)	-	(546,175)
Total Revenues and Support	14,025	11,934	(7,306)	35,463	20,566	4,322	(2,346)	17,500	94,158
Increase (Decrease) in Net Assets	14,025	11,934	(7,306)	35,463	20,566	4,322	(2,346)	17,500	94,158
Loss on Closure of Beaufort Club	-	(68,982)	(802)	(4,089)	(4,664)	162	1,750	8,750	(67,875)
Change in Net Assets	14,025	(57,048)	(8,108)	31,374	15,902	4,484	(596)	26,250	26,283
Net Assets, Beginning of Year	(11,864)	131,296	37,154	176,011	77,409	31,970	-	-	441,976
Transfer of Club Assets	-	65,540	-	-	-	-	25,958	600	92,098
Net Assets, End of Year	\$ 2,161	\$ 139,788	\$ 29,046	\$ 207,385	\$ 93,311	\$ 36,454	\$ 25,362	\$ 26,850	\$ 560,357

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
COMBINING STATEMENT OF FINANCIAL POSITION - PERMANENTLY RESTRICTED FUND
SEPTEMBER 30, 2014

	BEAUFORT	HILTON HEAD	TOTAL
ASSETS			
Investments	\$ 224,079	\$ 159,948	\$ 384,027
Due (To) From Other Clubs	-	(12,500)	(12,500)
Total Assets	\$ 224,079	\$ 147,448	\$ 371,527
LIABILITIES AND NET ASSETS			
Liabilities	\$ -	-	\$ -
Total Liabilities	-	-	-
Net Assets			
Temporarily Restricted	224,079	147,448	371,527
Total Net Assets	224,079	147,448	371,527
Total Liabilities and Net Assets	\$ 224,079	\$ 147,448	\$ 371,527

BOYS & GIRLS CLUBS OF THE LOWCOUNTRY, INC.
COMBINING STATEMENT OF ACTIVITIES - PERMANENTLY RESTRICTED FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	BEAUFORT	HILTON HEAD	TOTAL
REVENUES AND SUPPORT			
Investment Income	\$ -	\$ 10,666	\$ 10,666
Total Revenues and Support	-	10,666	10,666
FUNCTIONAL EXPENSES			
Program Services	-	-	-
Total Functional Expenses	-	-	-
Increase (Decrease) in Net Assets	-	10,666	10,666
Net Assets, Beginning of Year	316,177	136,782	452,959
Transfer of Club Assets	(92,098)	-	(92,098)
Net Assets, End of Year	\$ 224,079	\$ 147,448	\$ 371,527