# Boys & Girls Club of Greenwich, Inc.

## Financial Statements
## and Independent Auditor's Report

**June 30, 2025 and 2024**

CohnReznick

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

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# Independent Auditor's Report

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

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of Boys & Girls Club of Greenwich, Inc., which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Boys & Girls Club of Greenwich, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and our audit for the year ended June 30, 2025 in accordance with the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys & Girls Club of Greenwich, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The 2024 financial statements were not required to be audited in accordance with *Government Auditing Standards*.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Boys & Girls Club of Greenwich, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Boys & Girls Club of Greenwich, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Boys & Girls Club of Greenwich, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated November 19, 2025, on our consideration of Boys & Girls Club of Greenwich, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Boys & Girls Club of Greenwich, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boys & Girls Club of Greenwich, Inc.'s internal control over financial reporting and compliance.

CohnReznick LLP

Hartford, Connecticut
November 19, 2025

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

**Statements of Financial Position**
**June 30, 2025 and 2024**

Assets

| | 2025 | 2024 |
|---|---|---|
| Current assets | | |
| Cash | $ 2,631,139 | $ 2,190,639 |
| Restricted cash - reserve accounts | 2,655,250 | 2,535,562 |
| Current portion of pledges and other receivables | 2,081,927 | 2,233,309 |
| Prepaid expenses and other current assets | 91,443 | 148,886 |
| Total current assets | 7,459,759 | 7,108,396 |
| Noncurrent assets | | |
| Pledges and other receivables, net | 1,747,300 | 3,212,658 |
| Investments | 13,230,018 | 13,069,156 |
| Beneficial interest in perpetual trust | 348,403 | 343,998 |
| Property and equipment, net | 37,095,427 | 21,049,564 |
| Total noncurrent assets | 52,421,148 | 37,675,376 |
| Total assets | $ 59,880,907 | $ 44,783,772 |

Liabilities and Net Assets

| | | |
|---|---|---|
| Current liabilities | | |
| Accounts payable and accrued expenses | $ 3,314,059 | $ 4,546,729 |
| Deferred revenue | 748,150 | 647,057 |
| Bonds payable | 11,219,608 | 2,061,474 |
| Total current liabilities | 15,281,817 | 7,255,260 |
| Total liabilities | 15,281,817 | 7,255,260 |
| Net assets | | |
| Without donor restrictions | 32,441,052 | 24,730,005 |
| With donor restrictions | | |
| Time or purpose | 11,809,635 | 12,454,509 |
| Perpetuity | 348,403 | 343,998 |
| Total with donor restrictions | 12,158,038 | 12,798,507 |
| Total net assets | 44,599,090 | 37,528,512 |
| Total liabilities and net assets | $ 59,880,907 | $ 44,783,772 |

See Notes to Financial Statements.

## Boys & Girls Club of Greenwich, Inc.

## Statements of Activities
## Years Ended June 30, 2025 and 2024

| | Year ended June 30, 2025 | | | Year ended June 30, 2024 | | |
|---|---|---|---|---|---|---|
| | Without donor restrictions | With donor restrictions | Total | Without donor restrictions | With donor restrictions | Total |
| Revenues, gains and other support | | | | | | |
| Public support | | | | | | |
| Contributions | $ 1,016,403 | $ 619,048 | $ 1,635,451 | $ 947,435 | $ 726,637 | $ 1,674,072 |
| Contributed nonfinancial assets, goods, and services | 473,756 | - | 473,756 | 126,617 | - | 126,617 |
| Special events, net of cost of direct benefit to donors ($178,601 and $176,213 for 2025 and 2024, respectively) | 912,608 | - | 912,608 | 709,432 | - | 709,432 |
| Grants | 1,599,103 | - | 1,599,103 | 745,011 | - | 745,011 |
| Grants - United Way of Greenwich | 74,943 | - | 74,943 | 25,000 | - | 25,000 |
| Club house fees and membership dues | 563,859 | - | 563,859 | 497,625 | - | 497,625 |
| Program service fees | 18,656 | - | 18,656 | 125,599 | - | 125,599 |
| Perpetual trust | 17,267 | - | 17,267 | 15,844 | - | 15,844 |
| Total public support | 4,676,595 | 619,048 | 5,295,643 | 3,192,563 | 726,637 | 3,919,200 |
| Investment income | | | | | | |
| Net realized and unrealized investment gains | 672,227 | 633,715 | 1,305,942 | 1,031,752 | 457,311 | 1,489,063 |
| Interest and dividends | 177,543 | 134,768 | 312,311 | 191,338 | 130,016 | 321,354 |
| Change in value of beneficial interest in perpetual trust | - | 4,405 | 4,405 | - | 23,628 | 23,628 |
| Total investment income | 849,770 | 772,888 | 1,622,658 | 1,223,090 | 610,955 | 1,834,045 |
| Other revenue | | | | | | |
| Other contributions | - | 5,365,154 | 5,365,154 | 364,383 | 3,501,071 | 3,865,454 |
| Miscellaneous revenue | 171,185 | - | 171,185 | 57,764 | - | 57,764 |
| Total other revenue | 171,185 | 5,365,154 | 5,536,339 | 422,147 | 3,501,071 | 3,923,218 |
| Total revenues, gains and other support | 5,697,550 | 6,757,090 | 12,454,640 | 4,837,800 | 4,838,663 | 9,676,463 |
| Net assets released from restriction | 7,397,559 | (7,397,559) | - | 3,101,759 | (3,101,759) | - |
| Total revenue | 13,095,109 | (640,469) | 12,454,640 | 7,939,559 | 1,736,904 | 9,676,463 |

## Boys & Girls Club of Greenwich, Inc.

## Statements of Activities
## Years Ended June 30, 2025 and 2024

| | Year ended June 30, 2025 | | | Year ended June 30, 2024 | | |
|---|---|---|---|---|---|---|
| | Without donor restrictions | With donor restrictions | Total | Without donor restrictions | With donor restrictions | Total |
| Expenses | | | | | | |
| Functional expenses | | | | | | |
| Program services | | | | | | |
| Individual and family outreach | $ 986,467 | $ - | $ 986,467 | $ 1,188,883 | $ - | $ 1,188,883 |
| Camp Simmons | 457,569 | - | 457,569 | 405,734 | - | 405,734 |
| Education | 817,798 | - | 817,798 | 769,790 | - | 769,790 |
| Field house activities | 588,157 | - | 588,157 | 737,168 | - | 737,168 |
| Physical | 515,675 | - | 515,675 | 619,332 | - | 619,332 |
| Aquatics | 550,378 | - | 550,378 | 659,061 | - | 659,061 |
| Total program services | 3,916,044 | - | 3,916,044 | 4,379,968 | - | 4,379,968 |
| Supporting services | | | | | | |
| Management and general | 998,924 | - | 998,924 | 538,893 | - | 538,893 |
| Fundraising | 469,094 | - | 469,094 | 484,602 | - | 484,602 |
| Total supporting services | 1,468,018 | - | 1,468,018 | 1,023,495 | - | 1,023,495 |
| Total functional expenses | 5,384,062 | - | 5,384,062 | 5,403,463 | - | 5,403,463 |
| Change in net assets | 7,711,047 | (640,469) | 7,070,578 | 2,536,096 | 1,736,904 | 4,273,000 |
| Net assets, beginning | 24,730,005 | 12,798,507 | 37,528,512 | 22,193,909 | 11,061,603 | 33,255,512 |
| Net assets, end | $ 32,441,052 | $ 12,158,038 | $ 44,599,090 | $ 24,730,005 | $ 12,798,507 | $ 37,528,512 |

See Notes to Financial Statements.

# Boys & Girls Club of Greenwich, Inc.

## Statement of Functional Expenses
## Year Ended June 30, 2025

| | Program services | | | | | | | Supporting services | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Individual and family outreach | Camp Simmons | Education | Field house activities | Physical | Aquatics | Total program services | Management and general | Fundraising | Total supporting services | Total |
| Salaries | $ 513,408 | $ 316,147 | $ 158,199 | $ 93,580 | $ 158,633 | $ 139,742 | $ 1,379,709 | $ 395,601 | $ 351,646 | $ 747,247 | $ 2,126,956 |
| Payroll taxes and fringe benefits | 109,820 | 67,625 | 33,839 | 20,017 | 33,932 | 29,892 | 295,125 | 84,620 | 75,218 | 159,838 | 454,963 |
| Total salaries, payroll taxes and benefits | 623,228 | 383,772 | 192,038 | 113,597 | 192,565 | 169,634 | 1,674,834 | 480,221 | 426,864 | 907,085 | 2,581,919 |
| Scholarships and awards | - | - | 411,093 | - | - | - | 411,093 | - | - | - | 411,093 |
| Conferences and staff development | 3,330 | 559 | 2,240 | 4,982 | 3,424 | 3,927 | 18,462 | 640 | 456 | 1,096 | 19,558 |
| Insurance | 8,892 | - | 5,981 | 13,301 | 9,141 | 10,485 | 47,800 | 1,710 | 1,218 | 2,928 | 50,728 |
| Equipment rental and maintenance | 23,889 | 20,597 | 16,067 | 35,731 | 24,556 | 28,167 | 149,007 | 4,592 | 3,271 | 7,863 | 156,870 |
| National, state and local dues | 4,642 | - | 3,122 | 6,943 | 4,772 | 5,474 | 24,953 | 892 | 636 | 1,528 | 26,481 |
| Occupancy | 31,094 | 499 | 20,913 | 46,509 | 31,964 | 36,664 | 167,643 | 5,978 | 4,257 | 10,235 | 177,878 |
| Postage and shipping | 1,353 | - | 910 | 2,024 | 1,391 | 1,595 | 7,273 | 260 | 185 | 445 | 7,718 |
| Printing and publications | 6,840 | 437 | 4,600 | 10,230 | 7,031 | 8,065 | 37,203 | 1,315 | 936 | 2,251 | 39,454 |
| Professional fees | 94,156 | 9,750 | 63,325 | 140,831 | 96,788 | 111,021 | 515,871 | 457,901 | 12,891 | 470,792 | 986,663 |
| Supplies and services | 46,600 | 20,905 | 11,709 | 26,039 | 17,895 | 20,527 | 143,675 | 3,347 | 2,383 | 5,730 | 149,405 |
| Travel and transportation | 5,120 | 1,353 | 3,443 | 7,657 | 5,263 | 6,037 | 28,873 | 984 | 701 | 1,685 | 30,558 |
| Legal expenses | 271 | 45 | 165 | 361 | 240 | 301 | 1,383 | 90 | 30 | 120 | 1,503 |
| Capital improvements/purchases - capital consultants | 4,616 | - | 3,104 | 6,904 | 4,745 | 5,443 | 24,812 | 887 | 632 | 1,519 | 26,331 |
| Financial assistance to individuals | 5,797 | - | 694 | 1,543 | 1,060 | 1,217 | 10,311 | 198 | 141 | 339 | 10,650 |
| Miscellaneous | 16,336 | 1,268 | 10,987 | 24,435 | 16,793 | 19,262 | 89,081 | 3,143 | 2,237 | 5,380 | 94,461 |
| Total expense before depreciation | 876,164 | 439,185 | 750,391 | 441,087 | 417,628 | 427,819 | 3,352,274 | 962,158 | 456,838 | 1,418,996 | 4,771,270 |
| Depreciation | 110,303 | 18,384 | 67,407 | 147,070 | 98,047 | 122,559 | 563,770 | 36,766 | 12,256 | 49,022 | 612,792 |
| Total expenses | $ 986,467 | $ 457,569 | $ 817,798 | $ 588,157 | $ 515,675 | $ 550,378 | $ 3,916,044 | $ 998,924 | $ 469,094 | $ 1,468,018 | $ 5,384,062 |

See Notes to Financial Statements.

# Boys & Girls Club of Greenwich, Inc.

## Statement of Functional Expenses
## Year Ended June 30, 2024

| | Program services | | | | | | | Supporting services | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Individual and family outreach | Camp Simmons | Education | Field house activities | Physical | Aquatics | Total program services | Management and general | Fundraising | Total supporting services | Total |
| Salaries | $ 667,731 | $ 285,596 | $ 117,803 | $ 100,296 | $ 165,972 | $ 137,058 | $ 1,474,456 | $ 364,240 | $ 357,921 | $ 722,161 | $ 2,196,617 |
| Payroll taxes and fringe benefits | 133,849 | 57,249 | 23,614 | 20,105 | 33,270 | 27,474 | 295,561 | 73,013 | 71,747 | 144,760 | 440,321 |
| Total salaries, payroll taxes and benefits | 801,580 | 342,845 | 141,417 | 120,401 | 199,242 | 164,532 | 1,770,017 | 437,253 | 429,668 | 866,921 | 2,636,938 |
| Scholarships and awards | - | - | 349,356 | - | - | - | 349,356 | - | - | - | 349,356 |
| Conferences and staff development | 4,925 | 255 | 3,486 | 7,749 | 5,325 | 6,110 | 27,850 | 996 | 709 | 1,705 | 29,555 |
| Insurance | 12,066 | - | 8,119 | 18,048 | 12,403 | 14,231 | 64,867 | 2,320 | 1,651 | 3,971 | 68,838 |
| Equipment rental and maintenance | 5,117 | 435 | 3,736 | 8,305 | 5,708 | 6,548 | 29,849 | 1,067 | 760 | 1,827 | 31,676 |
| National, state and local dues | 4,071 | - | 2,739 | 6,089 | 4,185 | 4,801 | 21,885 | 783 | 557 | 1,340 | 23,225 |
| Occupancy | 84,231 | 8,903 | 62,673 | 139,313 | 95,740 | 109,843 | 500,703 | 17,905 | 12,746 | 30,651 | 531,354 |
| Postage and shipping | 1,218 | - | 819 | 1,821 | 1,252 | 1,436 | 6,546 | 234 | 167 | 401 | 6,947 |
| Printing and publications | 4,728 | 1,579 | 4,244 | 9,434 | 6,483 | 7,439 | 33,907 | 1,212 | 863 | 2,075 | 35,982 |
| Professional fees | 75,549 | 1,084 | 51,569 | 114,632 | 78,778 | 90,383 | 411,995 | 14,732 | 10,488 | 25,220 | 437,215 |
| Supplies and services | 7,622 | 26,004 | 22,628 | 50,298 | 34,566 | 39,658 | 180,776 | 6,558 | 4,602 | 11,160 | 191,936 |
| Telephone | 4,815 | - | 3,240 | 7,202 | 4,949 | 5,678 | 25,884 | 926 | 659 | 1,585 | 27,469 |
| Travel and transportation | 5,634 | 881 | 4,384 | 9,745 | 6,697 | 7,684 | 35,025 | 1,252 | 892 | 2,144 | 37,169 |
| Legal expenses | 27,478 | 4,580 | 16,792 | 36,637 | 24,425 | 30,531 | 140,443 | 9,159 | 3,053 | 12,212 | 152,655 |
| Bond costs | 47 | - | 32 | 70 | 48 | 56 | 253 | 9 | 6 | 15 | 268 |
| Capital improvements/purchases - capital consultants | 26,550 | - | 17,866 | 39,714 | 27,293 | 31,313 | 142,736 | 5,104 | 3,634 | 8,738 | 151,474 |
| Financial assistance to individuals | 1,818 | - | 1,223 | 2,719 | 1,869 | 2,144 | 9,773 | 349 | 249 | 598 | 10,371 |
| Miscellaneous | 11,368 | 824 | 8,204 | 18,236 | 12,532 | 14,378 | 65,542 | 2,346 | 1,668 | 4,014 | 69,556 |
| Total expense before depreciation | 1,078,817 | 387,390 | 702,527 | 590,413 | 521,495 | 536,765 | 3,817,407 | 502,205 | 472,372 | 974,577 | 4,791,984 |
| Depreciation | 110,066 | 18,344 | 67,263 | 146,755 | 97,837 | 122,296 | 562,561 | 36,688 | 12,230 | 48,918 | 611,479 |
| Total expenses | $ 1,188,883 | $ 405,734 | $ 769,790 | $ 737,168 | $ 619,332 | $ 659,061 | $ 4,379,968 | $ 538,893 | $ 484,602 | $ 1,023,495 | $ 5,403,463 |

See Notes to Financial Statements.

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

**Statements of Cash Flows**
**Years Ended June 30, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| Cash flows from operating activities | | |
| Change in net assets | $ 7,070,578 | $ 4,273,000 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | |
| Depreciation expense | 612,792 | 611,479 |
| Discount on long-term pledges receivable | (77,452) | (18,470) |
| Net realized and unrealized investment gains | (1,305,942) | (1,489,063) |
| Change in value of beneficial interest in perpetual trust | (4,405) | (23,628) |
| Change in assets | | |
| Pledges and other receivables | 1,694,192 | (455,212) |
| Prepaid expenses and other current assets | 57,443 | (67,858) |
| Change in liabilities | | |
| Accounts payable and accrued expenses | 11,703 | (42,095) |
| Deferred revenue | 101,093 | 35,262 |
| Net cash provided by operating activities | 8,160,002 | 2,823,415 |
| Cash flows from investing activities | | |
| Purchase of property and equipment | (17,903,028) | (4,035,786) |
| Proceeds from sale of investments | 2,276,332 | 3,515,848 |
| Purchase of investments | (1,131,252) | (1,453,570) |
| Funding of reserve accounts | (119,688) | (2,535,562) |
| Net cash used in investing activities | (16,877,636) | (4,509,070) |
| Cash flows from financing activities | | |
| Proceeds from issuance of bonds payable | 9,158,134 | 2,383,571 |
| Debt issuance costs | - | (322,097) |
| Net cash provided by financing activities | 9,158,134 | 2,061,474 |
| Net increase in cash | 440,500 | 375,819 |
| Cash, beginning | 2,190,639 | 1,814,820 |
| Cash, end | $ 2,631,139 | $ 2,190,639 |
| Noncash investing and financing transactions | | |
| Property and equipment purchased with accounts payable | $ 3,034,904 | $ 4,279,277 |

See Notes to Financial Statements.

## Note 1 - Organization and nature of activities

Boys & Girls Club of Greenwich, Inc. (the "Club"), affiliated with the Boys & Girls Clubs of America (as a charter member), is a not-for-profit organization incorporated in the State of Connecticut. The Club is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

The Club is focused on meeting the needs of the community, state, and nation by serving children. The Club is committed to offering children high-quality out-of-school enrichment programs, a diverse community, a sense of character and citizenship, and a safe, nurturing, and affordable environment to expand access to opportunities and build bright futures. The Club's staff and Board of Directors are solely focused on fulfilling its mission: "to prepare young people, through enrichment opportunities and supportive relationships, to be responsible, caring and productive community members." Some of the Club's activities include: a health and fitness program which includes in-house sports leagues, swimming lessons and teams, and a healthy snack program; character development programs which include Torch Club and Keystone Club, self-esteem building classes and the honor guard; academic enrichment programs which include homework help, a dedicated education floor, and tutoring programs for elementary and teen youth. In addition, the Club provides three summer day camps. The Club's programs are supported primarily by grants and contributions, fundraising activities, membership dues, and program fees.

## Note 2 - Summary of significant accounting policies

### Basis of presentation

The Club's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, the financial statements have been prepared to focus on the Club as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

Net assets, revenues, gains and losses are reported for accounting purposes in separate classes based on the existence or absence of donor-imposed restrictions or on those imposed by operation of law. Accordingly, the net assets of the Club are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations, or subject to those imposed by operation of law. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors (the "Board") or may otherwise be limited by contractual agreements with outside parties.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Club or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Generally, the donors of assets with perpetual restrictions permit the Club to use, for general or specific purposes, all or part of the net investment return, if any.

### Cash and cash equivalents

The Club considers as cash equivalents all highly-liquid investments, which can be converted into cash and have a maturity period of 90 days or less at the time of purchase. There are no cash equivalents as of June 30, 2025 and 2024.

**Use of estimates**
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Property and equipment**
Property and equipment is stated at cost less accumulated depreciation. These amounts do not purport to represent replacement or realizable values. The Club capitalizes property and equipment with a cost of $1,000 or higher and useful life of one year or more. Donated property and equipment are carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated lives for financial reporting purposes are as follows:

| | Estimated useful lives |
|---|---|
| Building and improvements | 5 - 40 years |
| Camp buildings and equipment | 7 - 40 years |
| Furniture and equipment | 5 - 10 years |
| Automobiles and buses | 5 years |

Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the statements of activities for the period.

**Impairment of long-lived assets**
The Club reviews its long-lived assets for impairment whenever events or circumstances indicate the carrying amount of the assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. There were no impairment losses during 2025 and 2024.

**Revenue recognition**

**Special events, club house fees, membership dues and program service fees**
Revenue is recognized when control of the promised service is transferred to the Club's members at a point in time, in an amount that depicts the consideration the Club expects to be entitled to in exchange for those services. Revenue is not recognized unless collectability under the contract is considered probable, the contract has commercial substance and the contract has been approved. Additionally, the contract must contain payment terms, as well as the rights and commitments of both parties.

The Club's payment terms vary by the type of services offered. The Club's standard payment terms generally align with the timing of the services performed and do not include a financing component. The Club has the unconditional right to consideration as it satisfies the performance obligations; therefore, no contractual assets are recognized.

The Club records deferred revenues when payments are received in advance of the Club's performance under the contract, which are recognized as revenue as the performance obligation is satisfied. Revenue recognized from performance obligations that were satisfied, or partially satisfied, in prior periods was not material. Deferred revenues were $748,150 and $647,057 as of June 30, 2025 and 2024, respectively. The balance was $611,795 at June 30, 2023.

**Grants**
Revenue from grants and contracts with resource providers such as the government and its agencies, other organizations and private foundations are accounted for either as exchange transactions or as contributions. When the resource provider receives commensurate value in return for the resources transferred to the Club, the revenue from the grant or contract is accounted for as an exchange transaction. For purposes of determining whether a transfer of asset is a contribution or an exchange, the Club deems that the resource provider is not synonymous with the general public, i.e., indirect benefit received by the public as a result of the assets transferred is not deemed equivalent to commensurate value received by the resource provider. Moreover, the execution of a resource provider's mission or the positive sentiment from acting as a donor is not deemed to constitute commensurate value received by a resource provider. Revenue from grants and contracts that is accounted for as exchange transactions is recognized when performance obligations have been satisfied. Grants and contracts awarded for the acquisition of long-lived assets are reported as nonoperating revenue, in the absence of donor stipulations to the contrary, during the fiscal year in which the assets are acquired. Cash received in excess of revenue recognized is recorded as deferred revenue.

On the other hand, when the resource provider does not receive commensurate value, the transaction is accounted for as a contribution.

**Contributions**
Transactions where the resource providers often receive value indirectly by providing a societal benefit, although the societal benefit is not considered to be of commensurate value, are deemed to be contributions. Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where the Club has to overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if the Club fails to overcome the barrier. The Club recognizes the contribution revenue upon overcoming the barrier or hurdle. Any funding received prior to overcoming the barrier is recognized as a refundable advance.

Unconditional contributions are recognized as revenue and receivable when the commitment to contribute is received.

Unconditional contributions are recorded as either with donor restriction or without donor restriction. Contributions are recognized as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated asset. Contributions received with no donor stipulations are recorded as contributions without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the statements of activities as net assets released from restriction. Donor-restricted contributions whose conditions and restrictions expire during the same fiscal year are recognized as contributions without donor restrictions.

**Gifts of long-lived assets**
The Club reports gifts of land, buildings and equipment as support without donor-restriction unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as donor-restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Club reports expirations of donor restrictions of acquired long-lived assets when placed in service.

**Contributed goods and services**
The Club receives contributed goods and services. The Club generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Club with specific assistance programs, campaign solicitations and various committee assignments. These services do not meet the criteria of recognition and therefore are not reflected in the accompanying statements of activities. Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals processing those skills, and would typically need to be purchased if not provided by donation.

**Functional expenses**
Expenses are allocated based on their functional purposes among the Club's various programs and supporting services. Expenses which can be identified with a specific program or supporting activity are allocated directly to that activity. Other expenses that are common to several functions are allocated among the programs and supporting services benefited based upon management estimates, square footage or by time and effort reports.

**Receivables**
The Club provides services and programs to a broad range of customers. Customers typically pay at the point in time of the service or in advance of the service. When they are paid by credit, customers are provided with payment terms of net 30 days. The Club has tracked historical loss information for its trade receivables and compiled historical credit loss percentages for different aging categories (current, 1-30 days past due, 31-60 days past due, 61-90 days past due, and more than 90 days past due). Management believes that the historical loss information it has compiled is a reasonable base on which to determine expected credit losses for trade receivables held at June 30, 2025 because the composition of the trade receivables at that date is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its customers and its lending practices have not changed significantly over time). Management developed this estimate based on its knowledge of past experience. Accordingly, no allowance is required as of June 30, 2025 and 2024, as management believes all amounts are collectible.

**Investments**
Investments are carried at fair value. Unrealized and realized gains and losses are recognized as changes in net assets in the period in which they occur, and investment income is recognized as revenue in the period earned.

**Debt issuance costs**
Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the bonds payable to which such costs related. Amortization of debt issuance costs is reported as a component of interest expense and is computed using a straight-line calculation over the lifetime of the related loan, subsequent to completion of the construction period.

**Income taxes**
The Club is organized as a nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code and, as such, is not subject to federal or state corporate income taxes. The Club has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi).

Management has analyzed the tax positions taken by the Club and has concluded that, as of June 30, 2025 and 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Club's federal and state information returns prior to fiscal year 2022 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If the Club had unrelated business income taxes, it would recognize interest and penalties associated with any tax matters as part of the income tax provision and include accrued interest and penalties with the related tax liability in the statements of financial position.

**Subsequent events**
Management has evaluated events and transactions for potential recognition or disclosure through November 19, 2025, which is the date the financial statements were available to be issued.

## Note 3 - Liquidity

The Club regularly monitors liquidity required to meet its annual operating needs and other contractual commitments. As of June 30, 2025 and 2024, the Club had the following financial assets available to meet annual operating needs for the next fiscal year:

| | 2025 | 2024 |
|---|---|---|
| Cash | $ 2,631,139 | $ 2,190,639 |
| Pledges and other receivables | 45,268 | - |
| Available draw from investments | 600,094 | 661,371 |
| Total financial assets available to meet general expenditures over the next 12 months | $ 3,276,501 | $ 2,852,010 |

As part of the Club's liquidity management, the Club keeps its financial assets available as its general expenditures, liabilities, and other obligations come due.

## Note 4 - Pledges and other receivables

Pledges and other receivables as of June 30, 2025 and 2024 consist of the following:

| | 2025 | 2024 |
|---|---|---|
| One year and less | $ 2,081,927 | $ 2,233,309 |
| One to five years | 1,763,390 | 3,271,200 |
| Greater than five years | 115,000 | 150,000 |
| | 3,960,317 | 5,654,509 |
| Less | | |
| Discount to present value (3.80% for 2025 and 3.50% for 2024) | (131,090) | (208,542) |
| | 3,829,227 | 5,445,967 |
| Less current portion | (2,081,927) | (2,233,309) |
| Noncurrent portion, net | $ 1,747,300 | $ 3,212,658 |

Pledges and other receivables due in more than one year are recognized at fair value, using present value techniques and a discount rate of 3.80%.

## Note 5 - Assets held in trust

The Club is the beneficiary of a perpetual trust (the "Trust") administered by a third-party financial institution. The Club's interest in the net assets of the Trust is included in the statements of financial position as beneficial interest in perpetual trust and classified as net assets with donor restrictions - perpetuity. The fair value of the assets held in trust at June 30, 2025 and 2024 was $348,403 and $343,998, respectively. The Club is entitled to the income it earns which is distributed quarterly, in perpetuity.

## Note 6 - Property and equipment

Property and equipment, net, consists of the following as of June 30:

| | 2025 | 2024 |
|---|---|---|
| Land | $ 19,872 | $ 19,872 |
| Building and improvements | 20,493,226 | 20,493,226 |
| Camp buildings and equipment | 1,157,468 | 1,157,468 |
| Furniture and equipment | 1,297,538 | 1,164,633 |
| Automobiles and buses | 196,962 | 196,962 |
| Construction in progress | 26,905,787 | 10,380,037 |
| Subtotal | 50,070,853 | 33,412,198 |
| Less accumulated depreciation | (12,975,426) | (12,362,634) |
| Property and equipment, net | $ 37,095,427 | $ 21,049,564 |

Depreciation expense amounted to $612,792 and $611,479 for the years ended June 30, 2025 and 2024, respectively.

Construction in progress relates to certain developments for the Clubhouse and Camp Simmons. Interest related to construction loans and capitalized as part of construction in progress amounted to $412,392 and $45,544 for the years ended June 30, 2025 and 2024, respectively.

## Note 7 - Employee benefit plans

The Club is a participant in the Boys & Girls Clubs of America's Pension Plan (the "Plan"). The Plan is a defined contribution multi-employer plan, which provides retirement benefits based on the actual value of contributions at the time of retirement. An employee must be 21 years of age and must have completed one year of full-time employment before the employee becomes eligible to participate. For employees hired before June 30, 2009, the Plan was 100% immediate vesting in the Club's contribution. For employees hired after June 30, 2009, the Plan grants 20% vesting when the employee completes two years of employment and adds another 20% vesting each year until the employee reaches six years of employment, at which point the employee is fully vested.

The Club contributed to the Plan 4% of eligible employees' compensation during the years ended June 30, 2025 and 2024. Contribution expense for the years ended June 30, 2025 and 2024 amounted to $64,358 and $58,343, respectively. The Plan's sponsor has no intent of withdrawing from the Plan.

The Club also offers a Section 403(b) retirement savings plan for its employees. The Club may make discretionary contributions to the plan on behalf of its participants. The Club made no contributions to this plan during the years ended June 30, 2025 and 2024.

## Note 8 - Net assets with donor restrictions

Net assets with donor restrictions consist of the following as of June 30:

| | 2025 | 2024 |
|---|---|---|
| Camp Simmons fund | $ 2,275,970 | $ 2,094,972 |
| Scholarship fund | 3,335,781 | 2,974,040 |
| Other contributions | 6,197,884 | 7,385,497 |
| Net assets with donor restrictions - time or purpose | $ 11,809,635 | $ 12,454,509 |

Net assets with donor restrictions - perpetuity consists of a beneficial interest in a trust in which investment assets are held in perpetuity by a third-party trustee. The Club received the annual income of $17,267 and $15,844 for the years ended June 30, 2025 and 2024, respectively, which is without donor restrictions. Realized and unrealized appreciation remains part of the trust principal.

## Note 9 - Investments and fair value measurements

The Club values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Club utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Financial assets carried at fair value as of June 30, 2025 are classified in the table below in one of the three categories described above:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Investments | | | | |
| Money market funds | $ 103,523 | $ - | $ - | $ 103,523 |
| Mutual funds | | | | |
| Europe stock | 631,500 | - | - | 631,500 |
| Mid-cap blends | 881,017 | - | - | 881,017 |
| Short government funds | 2,396,440 | - | - | 2,396,440 |
| Short-term bonds | 2,191,861 | - | - | 2,191,861 |
| Foreign large blends | 1,293,765 | - | - | 1,293,765 |
| Large blends | 5,731,912 | - | - | 5,731,912 |
| | 13,230,018 | - | - | 13,230,018 |
| Beneficial interest in perpetual trust | - | - | 348,403 | 348,403 |
| Total assets at fair value | $ 13,230,018 | $ - | $ 348,403 | $ 13,578,421 |

Financial assets carried at fair value as of June 30, 2024 are classified in the table below in one of the three categories described above:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Investments | | | | |
| Money market funds | $ 101,116 | $ - | $ - | $ 101,116 |
| Mutual funds | | | | |
| Europe stock | 673,225 | - | - | 673,225 |
| Mid-cap blends | 922,643 | - | - | 922,643 |
| Short government funds | 2,143,641 | - | - | 2,143,641 |
| Short-term bonds | 1,953,935 | - | - | 1,953,935 |
| Foreign large blends | 1,292,989 | - | - | 1,292,989 |
| Large blends | 5,981,607 | - | - | 5,981,607 |
| | 13,069,156 | - | - | 13,069,156 |
| Beneficial interest in perpetual trust | - | - | 343,998 | 343,998 |
| Total assets at fair value | $ 13,069,156 | $ - | $ 343,998 | $ 13,413,154 |

Investments in mutual funds and money market funds are valued using market prices in active markets ("Level 1"). Mutual funds and money market funds held are open-ended funds that are registered with the Securities and Exchange Commission and are valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds and money market funds are deemed to be actively traded.

The Club's beneficial interest in perpetual trust is classified as Level 3 and the fair value is based on the fair values of the underlying investments within these agreements, which are established by the trustee using fair values in an active market for similar assets. The trustee provides the Club with investment statements and valuations of its portion of the trust at year-end. These are evaluated annually by the Club without adjustments. As such, the Club is not required to provide certain quantitative disclosures regarding the valuation methods used because they were unobtainable.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Club believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments are subject to market volatility that could substantially change their value in the near term. The Club's investment return spending policy is discretionary. During the years ended June 30, 2025 and 2024, the distribution for current spending limit policy was up to 5% of the ten-quarter average of the fair value of the Club's investment portfolio. Of the amounts available to draw based on the spending limit policy, the Club withdrew $554,556 and $669,488 during the years ended June 30, 2025 and 2024, respectively.

Investment activities consist of the following for the years ended June 30:

| | 2025 | 2024 |
|---|---|---|
| Interest and dividends | $ 312,311 | $ 321,354 |
| Unrealized gain | 448,967 | 764,614 |
| Realized gain | 856,975 | 724,449 |
| Total | $ 1,618,253 | $ 1,810,417 |

Investments representing 10% or more of the total investments held by the Club as of June 30 are as follows:

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | Percentage | Fair value | Percentage | Fair value |
| Vanguard 500 Index Fund Admiral Shares | 41.09% | $ 5,436,440 | 43.81% | $ 5,725,829 |
| Vanguard Short-term Federal Fund | 18.11% | 2,396,440 | 16.40% | 2,143,641 |
| Vanguard Short-term Bond Index | 16.57% | 2,191,861 | 14.95% | 1,953,935 |

## Note 10 - Long-term debt

On February 1, 2024, the Club entered into a $13,500,000 bond purchase agreement with Connecticut Health and Educational Facilities Authority ("CHEFA") in the form of Series B revenue bonds to be issued by the State of Connecticut. The bonds are repayable after the completion of the Clubhouse and Camp Simmons Projects. The loan is collateralized by the Clubhouse and matures on February 23, 2054. As of June 30, 2025 and 2024, the Club has bonds payable of $11,496,123 and $2,383,571, respectively, the proceeds of which are shown net of debt issuance costs of $276,515 and $322,097 as of June 30, 2025 and 2024, respectively. The debt issuance costs will amortize over the life of the bonds' maturities, beginning after completion of the construction and the initiation of principal payments on the bonds payable balance. Interest-only payments are required monthly on the principal balance during the construction period. During the construction period, the bonds bear a rate of interest at a variable rate based on the Adjusted Term SOFR rate plus 2% (5.00% as of June 30, 2025). After the construction period is completed, the bonds will then convert to a fixed interest rate based on the FHLB 8-year index rate plus 2.3%. Interest expense for the years ended June 30, 2025 and 2024 were $0 and $268, respectively.

**Restricted cash - reserve accounts**
The bond purchase agreement also requires reserve accounts to be held by the mortgagor. As of June 30, 2025 and 2024, the balances of these reserve accounts amounted to $2,655,250 and $2,535,562, respectively.

## Note 11 - Related party transactions

The Club is a charter member of the Boys & Girls Clubs of America. For the years ended June 30, 2025 and 2024, the Club paid $17,508 and $15,043, respectively, in dues to the national office, and $64,358 and $58,343, respectively, in contributions to the defined contribution plan for which the Boys & Girls Clubs of America serves as trustee.

During the years ended June 30, 2025 and 2024, certain members of the Board contributed $3,091,292 and $2,052,650, respectively. Amounts receivable from members of the Board totaled $1,835,293 and $2,675,778 as of June 30, 2025 and 2024, respectively.

## Note 12 - Concentrations

### Credit risk

Financial instruments that potentially subject the Club to a concentration of credit risk include cash accounts with various financial institutions that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. As of June 30, 2025, the Club had cash accounts that exceeded the FDIC insurance limits by approximately $4,765,000.

### Market risk

The Club invests in various debt and equity securities. These investment securities are recorded at fair value. Accordingly, the investment securities can fluctuate because of interest rates, reinvestment, credit, market and other risks depending on the nature of the specific investment. Therefore, it is at least reasonably possible that these factors will result in changes in the value of the Club's investments, which could materially affect amounts reported in the financial statements.

## Note 13 - Contributed nonfinancial assets and services

For the years ended June 30, 2025 and 2024, the Club received in-kind contributions as follows:

| | 2025 | 2024 |
|---|---|---|
| Contributed services | $ 439,800 | $ 86,400 |
| Contributed assets | - | 32,500 |
| Contributed materials | 33,956 | 7,717 |
| Total | $ 473,756 | $ 126,617 |

There were no donor restrictions, and the assets were used in the Club's sponsored events. Contributed nonfinancial assets are valued and are reported at the estimated fair value in the financial statements based on current prices for similar assets. Contributed services are valued at the billing rates of services provided by relevant professional organizations.

In-kind expenses are recorded in the accompanying statements of functional expenses as follows:

| | 2025 | 2024 |
|---|---|---|
| Capital improvements/purchases | $ - | $ 86,400 |
| Supplies and services | 29,191 | 5,986 |
| Financial assistance to individuals | 4,765 | 3,500 |
| Professional fees | 439,800 | - |
| Miscellaneous | - | 30,731 |
| Total | $ 473,756 | $ 126,617 |

## Note 14 - Contract commitments

At June 30, 2025, the Club has outstanding commitments on signed construction contracts to spend $847,623 on improvements and renovations to the Clubhouse.

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