



**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

**COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Contents
December 31, 2021 and 2020

	<u>Pages</u>
Independent Auditor’s Report	1 - 1A
Combined Financial Statements:	
Combined Statements of Financial Position	2
Combined Statements of Activities and Changes in Net Assets	3
Combined Statements of Cash Flows	4
Combined Statements of Functional Expenses	5
Notes to Combined Financial Statements	6 - 21
Supplementary Information:	
Combining Statements of Financial Position	22 - 23
Combining Statements of Activities and Changes in Net Assets	24 - 25

Independent Auditor's Report

To the Board of Directors of
West End House, Inc. d/b/a West End House Boys and Girls Club
of Allston-Brighton and West End House Support, Inc.:

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the combined financial statements of West End House, Inc. d/b/a West End House Boys and Girls Club of Allston-Brighton and West End House Support, Inc. (collectively, the Organization) which comprise the combined statement of financial position as of December 31, 2021, and the related combined statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of West End House, Inc. d/b/a West End House Boys and Girls Club of Allston-Brighton and West End House Support, Inc. as of December 31, 2021, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter - Prior Period Combined Financial Statements

The combined financial statements of West End House, Inc. d/b/a West End House Boys and Girls Club of Allston-Brighton and West End House Support, Inc. as of and for the year ended December 31, 2020, were audited by other auditors whose report dated October 4, 2021, expressed an unmodified opinion on those combined financial statements.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the combined 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 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 combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined 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 the Organization'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the Organization'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplementary information shown on pages 22 through 25 is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

AAFCPA, Inc.

Boston, Massachusetts
September 12, 2022

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Combined Statements of Financial Position
December 31, 2021 and 2020

Assets	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Current Assets:						
Cash	\$ 1,743,451	\$ 1,347,691	\$ 3,091,142	\$ 1,818,437	\$ 1,100,455	\$ 2,918,892
Restricted cash	166,765	-	166,765	238,237	-	238,237
Current portion of pledges and contributions receivable	12,000	997,948	1,009,948	125,157	826,456	951,613
Government grants and contracts receivable, net	385,175	-	385,175	140,204	-	140,204
Prepaid expenses	462	-	462	2,902	-	2,902
Total current assets	<u>2,307,853</u>	<u>2,345,639</u>	<u>4,653,492</u>	<u>2,324,937</u>	<u>1,926,911</u>	<u>4,251,848</u>
Other Assets:						
Pledges and contributions receivable, net	-	322,000	322,000	-	559,250	559,250
Investments	454,351	3,145,920	3,600,271	251,760	2,785,061	3,036,821
Note receivable	8,210,000	-	8,210,000	8,210,000	-	8,210,000
Property and equipment, net	11,749,847	-	11,749,847	11,864,210	-	11,864,210
Total other assets	<u>20,414,198</u>	<u>3,467,920</u>	<u>23,882,118</u>	<u>20,325,970</u>	<u>3,344,311</u>	<u>23,670,281</u>
Total assets	<u>\$ 22,722,051</u>	<u>\$ 5,813,559</u>	<u>\$ 28,535,610</u>	<u>\$ 22,650,907</u>	<u>\$ 5,271,222</u>	<u>\$ 27,922,129</u>
Liabilities and Net Assets						
Current Liabilities:						
Current portion of notes payable	\$ 59,595	\$ -	\$ 59,595	\$ 39,248	\$ -	\$ 39,248
Accounts payable and accrued expenses	351,209	-	351,209	312,633	-	312,633
Total current liabilities	<u>410,804</u>	<u>-</u>	<u>410,804</u>	<u>351,881</u>	<u>-</u>	<u>351,881</u>
Notes Payable, net	<u>12,699,357</u>	<u>-</u>	<u>12,699,357</u>	<u>13,063,854</u>	<u>-</u>	<u>13,063,854</u>
Total liabilities	<u>13,110,161</u>	<u>-</u>	<u>13,110,161</u>	<u>13,415,735</u>	<u>-</u>	<u>13,415,735</u>
Net Assets:						
Without donor restrictions:						
Operating	729,684	-	729,684	315,368	-	315,368
Real estate	7,423,781	-	7,423,781	7,234,319	-	7,234,319
Board designated:						
Operating reserve	762,115	-	762,115	759,912	-	759,912
Racial equity fund	130,343	-	130,343	130,343	-	130,343
Debt retirement fund	-	-	-	229,312	-	229,312
Capital reserve	565,967	-	565,967	565,918	-	565,918
Total without donor restrictions	<u>9,611,890</u>	<u>-</u>	<u>9,611,890</u>	<u>9,235,172</u>	<u>-</u>	<u>9,235,172</u>
With donor restrictions:						
Purpose restricted	-	1,518,866	1,518,866	-	1,252,235	1,252,235
Time restricted	-	669,500	669,500	-	531,500	531,500
Comprehensive campaign	-	479,273	479,273	-	702,426	702,426
Funds acting as endowment - general	-	2,799,710	2,799,710	-	2,481,879	2,481,879
Funds acting as endowment - scholarship	-	346,210	346,210	-	303,182	303,182
Total with donor restrictions	<u>-</u>	<u>5,813,559</u>	<u>5,813,559</u>	<u>-</u>	<u>5,271,222</u>	<u>5,271,222</u>
Total net assets	<u>9,611,890</u>	<u>5,813,559</u>	<u>15,425,449</u>	<u>9,235,172</u>	<u>5,271,222</u>	<u>14,506,394</u>
Total liabilities and net assets	<u>\$ 22,722,051</u>	<u>\$ 5,813,559</u>	<u>\$ 28,535,610</u>	<u>\$ 22,650,907</u>	<u>\$ 5,271,222</u>	<u>\$ 27,922,129</u>

The accompanying notes are an integral part of these combined statements.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Combined Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues:						
Grants and contributions	\$ 1,000,695	\$ 1,303,795	\$ 2,304,490	\$ 1,038,064	\$ 1,036,584	\$ 2,074,648
Special events revenue	532,401	182,500	714,901	471,576	117,500	589,076
Government grants and contracts - other	513,240	91,081	604,321	305,073	57,140	362,213
Individual donations	505,777	54,940	560,717	488,370	111,500	599,870
Government grants and contracts - CARES Act	382,500	-	382,500	382,500	-	382,500
Investment return designated for operations	102,660	-	102,660	98,088	-	98,088
Interest and other revenue	85,741	-	85,741	114,742	-	114,742
Comprehensive campaign contributions designated for operations	75,000	-	75,000	45,000	-	45,000
In-kind contributions - goods and services	38,523	-	38,523	46,535	-	46,535
Net assets released from time restrictions - special events	117,500	(117,500)	-	127,000	(127,000)	-
Net assets released from purpose restrictions	1,110,185	(1,110,185)	-	877,984	(877,984)	-
Total operating revenues	<u>4,464,222</u>	<u>404,631</u>	<u>4,868,853</u>	<u>3,994,932</u>	<u>317,740</u>	<u>4,312,672</u>
Operating Expenses:						
Program services	3,346,808	-	3,346,808	2,970,783	-	2,970,783
General and administrative	253,239	-	253,239	277,542	-	277,542
Fundraising	431,323	-	431,323	399,238	-	399,238
Total operating expenses before depreciation and amortization	<u>4,031,370</u>	<u>-</u>	<u>4,031,370</u>	<u>3,647,563</u>	<u>-</u>	<u>3,647,563</u>
Changes in net assets from operations before depreciation and amortization	<u>432,852</u>	<u>404,631</u>	<u>837,483</u>	<u>347,369</u>	<u>317,740</u>	<u>665,109</u>
Depreciation and amortization	<u>470,578</u>	<u>-</u>	<u>470,578</u>	<u>456,133</u>	<u>-</u>	<u>456,133</u>
Total operating expenses	<u>4,501,948</u>	<u>-</u>	<u>4,501,948</u>	<u>4,103,696</u>	<u>-</u>	<u>4,103,696</u>
Changes in net assets from operations	<u>(37,726)</u>	<u>404,631</u>	<u>366,905</u>	<u>(108,764)</u>	<u>317,740</u>	<u>208,976</u>
Other Revenues (Expenses):						
Investment return, net	41,471	458,769	500,240	26,103	333,915	360,018
Capital grants	190,973	-	190,973	-	-	-
Comprehensive campaign contributions	25,000	8,847	33,847	-	408,064	408,064
Endowment - scholarship contributions	-	4,750	4,750	-	4,660	4,660
Bequests	-	-	-	429,665	-	429,665
In-kind contributions - capital	-	-	-	23,744	-	23,744
Comprehensive campaign contributions designated for operations	(75,000)	-	(75,000)	(45,000)	-	(45,000)
Investment return designated for operations	-	(102,660)	(102,660)	-	(98,088)	(98,088)
Net assets released from comprehensive campaign	232,000	(232,000)	-	245,463	(245,463)	-
Total other revenues (expenses)	<u>414,444</u>	<u>137,706</u>	<u>552,150</u>	<u>679,975</u>	<u>403,088</u>	<u>1,083,063</u>
Changes in net assets	<u>376,718</u>	<u>542,337</u>	<u>919,055</u>	<u>571,211</u>	<u>720,828</u>	<u>1,292,039</u>
Net Assets:						
Beginning of year	<u>9,235,172</u>	<u>5,271,222</u>	<u>14,506,394</u>	<u>8,663,961</u>	<u>4,550,394</u>	<u>13,214,355</u>
End of year	<u>\$ 9,611,890</u>	<u>\$ 5,813,559</u>	<u>\$ 15,425,449</u>	<u>\$ 9,235,172</u>	<u>\$ 5,271,222</u>	<u>\$ 14,506,394</u>

The accompanying notes are an integral part of these combined statements.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Combined Statements of Cash Flows
For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities:		
Changes in net assets	\$ 919,055	\$ 1,292,039
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	470,578	456,133
Increase (decrease) in discount on pledges and contributions receivable	(11,847)	25,906
Realized and unrealized gain on investments	(462,663)	(339,960)
Capital grants	(190,973)	-
Comprehensive campaign contributions	(33,847)	(408,064)
Bequests	-	(429,665)
Changes in operating assets and liabilities:		
Pledges and contributions receivable	190,762	45,987
Government grants and contracts receivable, net	(98,998)	16,063
Prepaid expenses	2,440	11,646
Accounts payable and accrued expenses	38,576	(197,901)
Net cash provided by operating activities	<u>823,083</u>	<u>472,184</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(276,999)	(72,847)
Proceeds from sale of investments	704,025	168,082
Purchase of investments	(804,812)	(86,495)
Net cash provided by (used in) investing activities	<u>(377,786)</u>	<u>8,740</u>
Cash Flows from Financing Activities:		
Proceeds from notes payable	1,330,000	-
Proceeds from capital grants	45,000	-
Proceeds from comprehensive campaign contributions	33,847	408,064
Proceeds from bequests	-	429,665
Principal payments on notes payable	(1,753,366)	(141,641)
Net cash provided by (used in) financing activities	<u>(344,519)</u>	<u>696,088</u>
Net Change in Cash and Restricted Cash	100,778	1,177,012
Cash and Restricted Cash:		
Beginning of year	<u>3,157,129</u>	<u>1,980,117</u>
End of year	<u>\$ 3,257,907</u>	<u>\$ 3,157,129</u>
Reconciliation of Cash and Restricted Cash Reported Within the Combined Statements of Financial Position:		
Cash	\$ 3,091,142	\$ 2,918,892
Restricted cash	<u>166,765</u>	<u>238,237</u>
Total cash and restricted cash shown in the combined statements of cash flows	<u>\$ 3,257,907</u>	<u>\$ 3,157,129</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	<u>\$ 202,011</u>	<u>\$ 214,769</u>

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Combined Statements of Functional Expenses
For the Years Ended December 31, 2021 and 2020

	2021				2020			
	Program Services	General and Administrative	Fundraising	Total	Program Services	General and Administrative	Fundraising	Total
Salaries and Related:								
Salaries	\$ 1,604,075	\$ 99,209	\$ 287,675	\$ 1,990,959	\$ 1,511,152	\$ 116,821	\$ 289,692	\$ 1,917,665
Employee benefits	220,712	13,045	37,828	271,585	249,656	19,130	47,112	315,898
Payroll taxes	133,621	8,147	23,623	165,391	124,006	9,541	23,347	156,894
Staff development	29,061	-	2,840	31,901	36,330	45	2,607	38,982
Stipends	19,910	-	-	19,910	15,690	-	-	15,690
Total salaries and related	<u>2,007,379</u>	<u>120,401</u>	<u>351,966</u>	<u>2,479,746</u>	<u>1,936,834</u>	<u>145,537</u>	<u>362,758</u>	<u>2,445,129</u>
Occupancy:								
Interest	189,891	6,060	6,060	202,011	201,883	6,443	6,443	214,769
Repairs and maintenance	172,587	5,508	5,508	183,603	181,889	5,184	5,184	192,257
Utilities	163,506	5,218	5,217	173,941	133,928	4,275	4,274	142,477
Insurance	38,225	1,220	1,220	40,665	33,307	1,067	1,063	35,437
Total occupancy	<u>564,209</u>	<u>18,006</u>	<u>18,005</u>	<u>600,220</u>	<u>551,007</u>	<u>16,969</u>	<u>16,964</u>	<u>584,940</u>
Other:								
Professional fees	141,929	109,974	-	251,903	15,580	110,140	-	125,720
COVID response	177,936	-	-	177,936	57,458	-	-	57,458
Grant expense	131,937	-	-	131,937	17,627	-	-	17,627
Food	70,944	-	-	70,944	40,280	-	-	40,280
Information technology	51,094	1,193	11,159	63,446	69,534	-	11,841	81,375
Miscellaneous	55,305	1,969	1,741	59,015	74,627	1,996	1,669	78,292
Donated goods and services	38,523	-	-	38,523	46,535	-	-	46,535
Event expenses	-	-	33,145	33,145	-	-	3,376	3,376
Program supplies and other	25,330	-	-	25,330	23,516	-	117	23,633
Dues and subscriptions	22,592	963	1,015	24,570	22,473	1,664	-	24,137
Scholarships	23,137	-	-	23,137	43,067	-	-	43,067
Telephone	18,096	581	580	19,257	22,637	600	599	23,836
Postage and printing	5,129	73	13,291	18,493	2,129	544	1,749	4,422
Transportation	10,794	-	52	10,846	17,609	-	61	17,670
Office supplies	2,474	79	369	2,922	3,964	92	104	4,160
Bad debts	-	-	-	-	25,906	-	-	25,906
Total other	<u>775,220</u>	<u>114,832</u>	<u>61,352</u>	<u>951,404</u>	<u>482,942</u>	<u>115,036</u>	<u>19,516</u>	<u>617,494</u>
Total operating expenses before depreciation and amortization	3,346,808	253,239	431,323	4,031,370	2,970,783	277,542	399,238	3,647,563
Depreciation and Amortization	<u>447,098</u>	<u>11,740</u>	<u>11,740</u>	<u>470,578</u>	<u>433,529</u>	<u>11,301</u>	<u>11,303</u>	<u>456,133</u>
Total operating expenses	<u>\$ 3,793,906</u>	<u>\$ 264,979</u>	<u>\$ 443,063</u>	<u>\$ 4,501,948</u>	<u>\$ 3,404,312</u>	<u>\$ 288,843</u>	<u>\$ 410,541</u>	<u>\$ 4,103,696</u>

The accompanying notes are an integral part of these combined statements.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

1. OPERATIONS AND NONPROFIT STATUS

The mission of West End House, Inc. d/b/a West End House Boys and Girls Club of Allston-Brighton (the Club) is to inspire and enable young people to realize their full potential as productive, responsible and caring citizens. The Club is an independent Boys and Girls Club in Boston that provides outcome-driven programs to Boston youth residing in the most underserved neighborhoods. These high-impact programs provide opportunities in critical areas of youth development, ensuring that young people most in need are succeeding academically, exploring the arts, developing career readiness skills, and adopting healthy lifestyles.

The Club serves 556 youth ages 8 through 24 including, 311 who participated in the after-school and summer youth development programs and 245 alumni enrolled in the College and Career Success Program. An additional 1,100 individuals were served through the Family Food Program. For the past two years during the pandemic, annual membership fees of \$15 have been waived. The Club's programs are as follows:

- **Academic Success** - the Club provides year-round academic programming that includes daily homework support; Science, Technology, Engineering and Math (STEM) programs; mentoring; tutoring; and social emotional skill development.
- **College and Career Success** - coaches provide one-on-one and group coaching for Club alumni pursuing post-secondary pathways.
- **Leadership and Career Development** - the Club has progressive employment initiative that provides programming for youth ages 14 through 24 to bolster career readiness skills, engage in on-site and external employment, and complete career-aligned internships.
- **Sports, Fitness, and Nutrition** - the Club's daily programs focus on increasing daily access to whole grains, fresh fruits and vegetables, and lean proteins; engaging youth in physical activities that keep them moving for at least 60 minutes a day; and offering a range of health and fitness activities.
- **Visual and Performing Arts** - the Club's creative youth development programs engage young people weekly in music, visual arts, dance, and digital media. The Club provides daily, high-quality instruction that helps youth develop mastery-level skills via progressive learning.
- **Family Food Program** - first established in 2020, the Club launched a full-scale grocery distribution program in partnership with the Greater Boston Food Bank, providing groceries on a bi-weekly basis to families experiencing food insecurity. From the program's inception in March 2020 through December 31, 2021, the Club provided over 4,000 individuals from over 300 families with groceries totaling over 500,000 pounds of food.
- **Learning Hub Program** - during the 2020-21 school year, the Club made a major change to operating hours by opening at 7:00 AM to host Boston Public School (BPS) students for their school day due to BPS's closure. The program supported the academic success and well-being of young people during the nearly year-long school closure. Key program elements included high-speed internet, access to laptops and Chromebooks, nutritious meals and snacks, and a welcoming, supportive team of youth development professionals.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

1. OPERATIONS AND NONPROFIT STATUS (Continued)

The Club tracks and monitors youth progress to measure individual and programmatic success with the following tools:

- **National Youth Outcomes Initiative (NYOI)** - is a survey tool created by the Club's national affiliate, Boys & Girls Clubs of America, which uses a common set of research informed indicators to measure the impact of the Club in seven priority areas: sense of belonging, emotional safety, physical safety, fun, adult connection, staff expectations, and recognition.
- **Youth Program Quality Assessment (YPQA) and Youth Program Quality Intervention (YPQI)** - are methods of measuring the quality of youth programs and identifying staff training needs in community organizations, schools, camps, and other places where youth in grades K-12 have fun, work, and learn with adults. Assessment components include safe environment, supportive environment, interaction, engagement, youth-oriented policies and practices, high expectations for youth and staff, and access. This self-assessment process facilitates building professional competencies by examining what is happening in programs.
- **Survey of Academic Youth Outcomes (SAYO)** - is an evidence-based tool that measures improvements in social-emotional behavior. SAYO relies on staff observations and youth surveys to assess improvements in behavior, initiative, engagement in learning, problem-solving skills, communication, peer relationships, and reading level. It recognizes difficult to measure capabilities, such as social responsibility, self-confidence, and leadership.
- **Member Tracking System** - is a database that is used to collect and review quarterly academic progress reports and report cards of all youth. This information helps to identify youth in need of additional targeted support and assists in the development of individual intervention plans to ensure all young people are meeting critical educational benchmarks.
- **Salesforce** - is a customized database used by the Club's College Success staff to track key data points, including demographic information; college enrollment rates; grades, credits earned, course completion; coaching interactions; verification of Free Application for Federal Student Aid (FAFSA) completion; persistence and graduation rates; and career interests.

Combined Affiliate

West End House Support, Inc. (WEHS), a supporting organization of the Club, was created for the benefit of, to perform the function of, and to carry out the purpose of the Club with respect to its long-term facility needs, including securing funds to support those needs. During 2017, the Club integrated New Markets Tax Credits (NMTC) into the financing of the Comprehensive Campaign (see Note 2), and related expansion and renovations of the Club's building facility. Due to the location of the property and the measurable economic and community benefits of the project, the Club qualified for this special Federal and state tax funding. The Board of Directors of the Club appoints the majority of WEHS's Board of Directors.

The accompanying combined financial statements include the accounts of the Club and WEHS (collectively, the Organization). All significant intercompany balances and transactions have been eliminated in the accompanying combined financial statements.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

1. OPERATIONS AND NONPROFIT STATUS (Continued)

Nonprofit Status

The Club and WEHS are individually exempt from Federal income taxes as organizations (not private foundations) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Club and WEHS are also exempt from state income taxes. Contributions made to the Club and WEHS are deductible by donors within the requirements of the IRC.

2. SIGNIFICANT ACCOUNTING POLICIES

The Organization prepares its combined financial statements in accordance with generally accepted accounting standards and principles (U.S. GAAP) established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

Cash, Cash Equivalents, Restricted Cash and Concentration of Credit Risk

The Organization considers all highly liquid investments originated with a maturity of three months or less, and that are available for current operations, to be cash equivalents. There were no cash equivalents as of December 31, 2021 or 2020, except for those funds considered part of the Organization's investment portfolio (see Note 4). Cash and cash equivalents that are not generally available for current operations, or otherwise are restricted for debt service, are classified as restricted cash and are included in cash and restricted cash for purposes of the combined statements of cash flows.

The Organization maintains its cash balances in high credit quality financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures balances at each financial institution up to certain amounts. At certain times during the year, cash balances may exceed the insured amounts. The Organization has not experienced any losses in such accounts. The Organization periodically assesses the financial condition of these financial institutions and believes it is not exposed to any significant credit risk on its cash.

Pledges and Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at fair value at the date the promise is received and are included in pledges and contributions receivable in the combined statements of financial position. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows net of an allowance for doubtful accounts, if any. An allowance for doubtful pledges and contributions receivable is recorded based on management's analysis of specific accounts and their estimate of amounts that may be uncollectible. There was no allowance for doubtful pledges and contributions as of December 31, 2021 or 2020.

Government Grants and Contracts Receivable and Allowance for Doubtful Accounts

Government grants and contracts receivable are recorded at the invoiced amount, do not bear interest, and are due on demand. An allowance for doubtful government grants and contracts receivable is recorded based on management's analysis of specific accounts and their estimate of amounts that may be uncollectible, if any. Amounts are written-off against the allowance when they are determined to be uncollectible. The allowance for doubtful accounts applied against the balance of government grants and contracts receivable was \$10,000 at December 31, 2021 and 2020.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

The Organization records its investments at fair value using Level 1 inputs (see pages 10 and 11). Interest and dividends are recorded when earned. Gains and losses are recognized as incurred or based on fair value changes during the period (see Note 4).

The Organization's investment policy sets forth guidelines for prudent investment of funds taking into account liquidity, growth, risk, and return characteristics appropriate for different categories of the Organization's investments (see Note 4). Under this policy, funds are invested to produce a relatively high level of income commensurate with prudent diversification and moderate risks. Investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends).

In accordance with the Organization's investment spending policy, annual operating allocations of the general and scholarship funds acting as endowment (collectively, the Endowment) (see Note 8) shall not exceed an amount equal to 4% (general funds) and 4.5% (scholarship funds) of the average market value of the Endowment over a rolling three-year period ending October 31st of the previous year, unless otherwise authorized by the Board of Directors. The Organization will annually distribute the calculated amount from the Endowment, as approved by the Board of Directors, during the year. Transfers to operating net assets in accordance with this policy are reflected in the combined statements of activities and changes in net assets as investment return designated for operations.

Note Receivable and Allowance for Uncollectable Note Receivable

Note receivable (see Note 5) is stated net of an allowance for uncollectable notes if deemed necessary. Interest on the note is calculated by using the simple interest method on quarterly balances of the principal amount outstanding. There was no allowance for uncollectable notes as of December 31, 2021 or 2020.

Property and Equipment and Depreciation

Property and equipment are recorded at cost, if purchased, or at the estimated market value at the date of gift, if donated. Renewals and betterments are capitalized, while repairs and maintenance are expensed as incurred. Property and equipment are depreciated using the straight-line method over estimated useful lives and consist of the following at December 31:

	<u>Estimated Useful Lives</u>	<u>2021</u>	<u>2020</u>
Building and improvements	10 - 40 years	\$ 13,392,523	\$ 13,287,844
Furniture and equipment	3 - 10 years	426,631	254,311
Land	N/A	<u>25,374</u>	<u>25,374</u>
		13,844,528	13,567,529
Less - accumulated depreciation		<u>(2,094,681)</u>	<u>(1,703,319)</u>
Property and equipment, net		<u>\$ 11,749,847</u>	<u>\$ 11,864,210</u>

Depreciation expense was \$391,362 and \$376,917 for the years ended December 31, 2021 and 2020, respectively, and is included in depreciation and amortization in the accompanying combined statements of functional expenses.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment and Depreciation (Continued)

The Organization accounts for the carrying value of its long-lived assets in accordance with the requirements of ASC Topic, *Property, Plant and Equipment*. The carrying value is evaluated annually for impairment and no impairment loss was recognized in 2021 or 2020.

Debt Issuance Costs

Debt issuance costs have been netted with notes payable (see Note 7), and are amortized over the period the related obligation is expected to be outstanding using the straight-line method, which approximates the effective interest method.

Net Assets

Net assets without donor restrictions include those net resources of the Organization that bear no external restrictions and are generally available for use by the Organization. The Organization has grouped its net assets without donor restrictions into the following categories:

- *Operating* net assets represent those net resources that are considered substantially liquid and available for general operations.
- *Real estate* net assets represent the portion of assets invested in real estate, net of related liabilities.
- *Board designated* - represent funds set aside by the Board of Directors for long-term investment purposes and future expansion of program activities. The use of these funds requires the approval of the Board of Directors. As of December 31, 2021 and 2020, Board designated funds were classified as follows:

Operating reserve - represents amounts set aside by the Board of Directors to fund future shortfalls in operations, if necessary.

Racial equity fund - represents funds set aside by the Board of Directors to support racial equity programs at the Organization.

Debt retirement fund - was intended to fund principal payments of notes payable above the contractual payments required. During 2021, the remaining balance of this reserve was used to make an additional payment on the note payable balance, upon approval from the Board of Directors.

Capital reserve - represents funds set aside by the Board of Directors for repairs and improvements to the Organization's property and equipment.

Net assets with donor restrictions consist of donations and grants that are designated by donors for specific purposes or for a specified time, or with the stipulation that the principal will be held in an investment account and both the principal and investment income can be spent in accordance with the Organization's spending policy (funds acting as endowment, see Note 8). These donations are recorded as net assets with donor restrictions until they are expended for their designated purposes or the time restrictions have lapsed.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements

The Organization follows the accounting and disclosure standards pertaining to ASC Topic 820, *Fair Value Measurements*, for qualifying assets and liabilities. Fair value is defined as the price that the Organization would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

The Organization uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of the Organization. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instrument, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the financial instrument developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available.

The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

- Level 1: Inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.
- Level 2: Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3: Inputs that are unobservable and which require significant judgment or estimation.

An asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement. All qualifying assets and liabilities are valued using Level 1 inputs.

Estimates

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

Combined Statements of Activities and Changes in Net Assets

Transactions deemed by management to be ongoing, major, or central to the provision of program services are reported as operating revenues and operating expenses in the accompanying combined statements of activities and changes in net assets. All other transactions are presented as other revenues (expenses).

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Organization's main sources of revenue are from government grants and contracts and various forms of philanthropic support. Philanthropic support includes individual donations, grants and contributions, comprehensive campaign contributions, and endowment scholarship contributions. Amounts received under contracts with various government agencies have been recorded in accordance with Accounting Standards Update (ASU) Topic 958 (see below). These conditional contributions are recognized as services are provided or as costs are incurred.

Government Grants and Contracts and Philanthropic Support

In accordance with Topic 958, the Organization must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include a measurable performance-related barrier or other measurable barriers, a stipulation that limits discretion by the recipient on the conduct of an activity, and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that the Organization should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met. See Note 11 for disclosure of the Organization's conditional awards at December 31, 2021 and 2020.

Grants and contributions, donations, and bequests without donor restrictions and donated goods and services are recognized as revenue when unconditionally committed or received. Restricted grants and contributions, donations, and bequests are recorded as net assets with donor restrictions when received or unconditionally pledged. Transfers are made to net assets without donor restrictions as costs are incurred or time restrictions or program restrictions have lapsed. Grants and contributions, donations, and bequests with donor restrictions received and satisfied in the same period are included in net assets without donor restrictions.

During 2015, the Organization launched a comprehensive campaign that included fundraising goals consisting of current and future program operations, capital funds for the building renovation, funds for retirement of debt, and funds for operating and facilities reserves. Comprehensive campaign contributions received for current and future program activities are transferred to net assets without donor restrictions at management's discretion as the funds are utilized by the Organization in line with the fundraising goals communicated to donors when the contributions were solicited. Contributions used to fund current operating costs of the Organization are reflected in the combined statements of activities and changes in net assets as comprehensive campaign contributions designated for operations.

Special Events Revenue

The Organization generally measures revenue for qualifying exchange transactions based on the amount of consideration the Organization expects to be entitled for the transfer of goods or services to a customer, then recognizes this revenue when or as the Organization satisfies its performance obligations under a contract, except in transactions where U.S. GAAP provides other applicable guidance. The Organization evaluates its contract service revenue based on the five-step model under Topic 606: (1) Identify the contract with the customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to separate performance obligations; and (5) Recognize revenue when (or as) each performance obligation is satisfied.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Special Events Revenue (Continued)

Special events revenue is derived from the Organization's performance to host fundraising events in which revenues are recognized at the time of the events. Special events revenue consists of both contributions and sales. The contribution portion of the special events revenue is recognized as revenue when unconditionally committed or received in accordance with ASC Subtopic 958-605, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Receive and Contributions*. The sales portion of the special events revenue is derived from various components, including ticket sales from those events held in which the transaction price is determined annually in accordance with ASC Topic 606, *Revenue from Contracts with Customers*. Ticket sales for these events are set by the Organization and have not been allocated as these events are each considered to be single performance obligations. Fees collected in advance of the special event are initially recorded as deferred revenue (contract liabilities) and are only recognized in the combined statements of activities and changes in net assets after the special event has occurred and the performance obligation has been met yet. The balance of deferred revenue is not material to the accompanying combined financial statements as of December 31, 2021 and 2020, and therefore, is not reflected as such.

Bequests

Bequests are recorded upon receipt of final notification of the bequest after the estate has gone through the probate process.

Rent Revenue

Rent revenue is recognized ratably over the respective lease term on a straight-line basis. Uncollected rent revenue under the straight-line basis is recorded as deferred rent receivable in the accompanying combined statements of financial position.

Interest and Other Revenue

Interest and other revenue is recorded when earned.

Donated Goods and Services

Various individuals and organizations contribute goods and specialized services to the Organization in support of various aspects of its programs. These goods and services are reflected in the accompanying combined financial statements based upon the estimated value assigned to them by the donating individuals, organizations or by management. The value of these donated goods and services totaled \$38,523 and \$46,535 for the years ended December 31, 2021 and 2020, respectively. In addition, during the year ended December 31, 2020, the Organization received \$23,744 of donated capital improvements that are reflected in the accompanying combined financial statements based upon the estimated market value of the capital improvements at the date of gift. There were no capital improvement donations received by the Organization during 2021.

The Organization also receives services of volunteers in various aspects of its programs. The value of these services is not reflected in the accompanying combined financial statements as these donated services do not require specialized skills, and therefore, do not meet the criteria for recognition under Topic 958, *Accounting for Contributions Received and Contributions Made*.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expense Allocation

Expenses related directly to a program are allocated to program expenses, while other expenses are allocated based upon management's estimate of the percentage attributable to program services, general and administrative, and fundraising. The combined financial statements also contain certain categories of expenses that are attributable to program and supporting functions and require an allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes and employee benefits, which are allocated based on an estimate of time and level of effort spent on the Organizations' programs and supporting functions, as well as occupancy, telephone, depreciation and amortization, which are allocated based on square footage basis.

Income Taxes

The Organization accounts for uncertainty in income taxes in accordance with ASC Topic 740, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the combined financial statements regarding a tax position taken or expected to be taken in a tax return. The Organization has determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the combined financial statements at December 31, 2021 or 2020. The Organization's information returns are subject to examination by the Federal and state jurisdictions.

Subsequent Events

Subsequent events have been evaluated through September 12, 2022, which is the date the combined financial statements were available to be issued. See Note 7 for an event that met the criteria for disclosure in the combined financial statements.

3. PLEDGES AND CONTRIBUTIONS RECEIVABLE

Pledges and contributions receivable are recorded at their net present value when unconditionally committed. Pledges and contributions receivable consist of the following as of December 31:

	<u>2021</u>	<u>2020</u>
Amounts due in:		
Within one year	\$ 1,009,948	\$ 951,613
One to two years	50,000	249,097
Two to three years	50,000	50,000
Three to four years	50,000	50,000
Four to five years	50,000	50,000
More than five years	<u>150,000</u>	<u>200,000</u>
	1,359,948	1,550,710
Less - discount	28,000	39,847
Less - current portion	<u>1,009,948</u>	<u>951,613</u>
	<u>\$ 322,000</u>	<u>\$ 559,250</u>

The pledges and contributions receivable have been discounted using a 2% interest rate as of December 31, 2021 and 2020. Two and three donors represented approximately 39% and 72% of the total outstanding pledges and contributions receivable as of December 31, 2021 and 2020, respectively.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

4. INVESTMENTS

Investments are presented in the accompanying combined financial statements at fair value using Level 1 inputs (see Note 2). The Organization's investments consist of the following at December 31:

<u>2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and equivalents:				
Cash	\$ 449,896	\$ -	\$ -	\$ 449,896
Money market funds	246,517	-	-	246,517
Equities:				
Common stock	1,943,543	-	-	1,943,543
Exchange-traded funds (ETFs)	642,004	-	-	642,004
Mutual funds	105,325	-	-	105,325
Fixed income:				
Corporate bond funds	172,503	-	-	172,503
International developed bonds	<u>40,483</u>	<u>-</u>	<u>-</u>	<u>40,483</u>
Total investments	<u>\$ 3,600,271</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,600,271</u>
<u>2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and equivalents:				
Cash	\$ 576,815	\$ -	\$ -	\$ 576,815
Equities:				
Common stock	1,468,472	-	-	1,468,472
Exchange-traded funds (ETFs)	607,916	-	-	607,916
Mutual funds	91,990	-	-	91,990
Fixed income:				
Corporate bond funds	221,770	-	-	221,770
International developed bonds	<u>69,858</u>	<u>-</u>	<u>-</u>	<u>69,858</u>
Total investments	<u>\$ 3,036,821</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,036,821</u>

The Organization's investment return consisted of the following for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Unrealized gain	\$ 320,462	\$ 321,769
Realized gain	142,201	18,191
Interest and dividends	68,236	44,689
Investment fees	<u>(30,659)</u>	<u>(24,631)</u>
Investment return, net	<u>\$ 500,240</u>	<u>\$ 360,018</u>

Investment return pertaining to net assets with donor restrictions, specifically for the Endowment, was \$458,769 and \$333,915 for the years ended December 31, 2021 and 2020, respectively. In accordance with the Organization's spending policy (see Note 2), \$102,660 and \$98,088 was appropriated to operations during the years ended December 31, 2021 and 2020, respectively (see Note 8).

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

4. INVESTMENTS (Continued)

Investments include donor endowment and funds intended to be utilized for long-term purposes and are generally not used for operations except for specially approved withdrawals. Accordingly, the Organization's investments have been classified as non-current assets regardless of maturity or liquidity.

Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the combined financial statements.

5. NOTE RECEIVABLE

In April 2017, the Organization made a loan in the amount of \$8,210,000 to Chase NMTC West End Investment Fund, LLC (the Investment Fund), an unrelated third-party, as part of the 2017 NMTC financing transaction related to the property acquisition made by WEHS (see Note 1) for the development of a facility that is leased to the Club. The proceeds of the loan were invested by the Investment Fund into LIIF Sub-CDE XLI, LLC and Chase New Market Corporation Sub-CDE 133, LLC (collectively the CDEs) who loaned the funds to WEHS (see Note 7). Terms of the NMTC note receivable provide interest calculated at 1% per annum, to be paid quarterly. Quarterly interest-only payments of \$20,525 commenced in July 2017 and run through March 2024, at which time principal and interest payments are due through maturity of December 2042. The loan is secured by a pledge of the Investment Fund's interests in the CDEs.

Future minimum principal payments over the next five years are as follows at December 31, 2021:

2022	\$ -
2023	\$ -
2024	\$ 299,731
2025	\$ 403,150
2026	\$ 407,197

The Organization granted to Chase Community Equity, LLC (Chase Equity), an unrelated third party, an option (the Put Option) to sell the Organization its interest in the Investment Fund for the period April 1, 2024 through June 30, 2024 (Put Period) for \$1,000. Chase Equity granted to the Organization an option (the Call Option) to purchase their interest in the Investment Fund after the end of the Put Period through December 31, 2024 (Call Period), at fair value.

6. LINE OF CREDIT

The Organization has a line of credit agreement with a bank that provides for borrowings up to \$500,000. Borrowings under the agreement are due on demand, and interest is payable monthly at the bank's prime rate (3.5% and 3.25% at December 31, 2021 and 2020, respectively). The line of credit is secured by the portion of the Organization's investment portfolio (see Note 4) that is held by the lending bank and is set to expire on September 1, 2022. There was no outstanding balance as of December 31, 2021 and 2020. The Organization was in compliance with all covenants as of December 31, 2021.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

7. NOTES PAYABLE

Notes payable held by WEHS consist of the following at December 31:

	<u>2021</u>	<u>2020</u>
Qualified Low Income Community Investment (QLICI) notes (see page 18).	\$ 12,155,000	\$ 12,155,000
3.5% note payable, due in monthly installments of principal and interest of \$6,693 with Rockland Trust Company through October 2031 (initial maturity date). The proceeds of this note were used to repay the LIIF note (see below). The interest rate on this note remains fixed through October 2026, at which time the rate is adjusted to 2.25% over the Classic Advance Rate. During 2021, the Organization made an additional discretionary principal payment of \$541,090 on this note. In February 2022, the Organization made a second discretionary principal payment of \$200,000 on this note, at which time the amortization schedule for the note was revised to require monthly payments of \$6,693 through November 2027 (revised maturity date). The note is secured by a first mortgage on property located at 105 Allston Street, Allston, Massachusetts and is guaranteed by the Club.	783,510	-
5.75% note payable, due in quarterly installments of principal and interest of \$26,952 with Low Income Investment Fund (LIIF). This note was secured by a first mortgage on property located at 105 Allston Street, Allston, Massachusetts. The note was set to mature in April 2024. During 2021, this note was repaid in full with proceeds from the Rockland Trust Company note (see above).	-	1,206,876
	<u>12,938,510</u>	<u>13,361,876</u>
Less - unamortized debt issuance costs	179,558	258,774
Less - current portion	<u>59,595</u>	<u>39,248</u>
Total long-term notes payable, net	<u>\$ 12,699,357</u>	<u>\$ 13,063,854</u>

Debt issuance costs related to the QLICI notes (see page 18) totaling \$554,514 are shown net of accumulated interest amortization of \$374,956 and \$295,740 as of December 31, 2021 and 2020, respectively. Unamortized debt issuance costs are reported in the combined statements of financial position as a direct reduction of the face amount of the related notes payable. Interest amortization was \$79,216 for the years ended December 31, 2021 and 2020, and is included in depreciation and amortization in the accompanying combined statements of functional expenses. Interest amortization is expected to be \$79,216 in both 2022 and 2023 and \$21,126 in 2024.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

7. NOTES PAYABLE (Continued)

Scheduled principal repayments of notes payable are as follows for the years ended December 31:

2022	\$ 59,595
2023	62,901
2024	367,107
2025	474,246
2026	481,400
Thereafter	<u>11,493,261</u>
Total	<u>\$ 12,938,510</u>

The notes payable contain financial and non-financial covenants with which the Organization must comply. The Organization was in compliance with these covenants as of December 31, 2021.

QLICI Notes

During 2017, as part of the NMTC financing transaction (see Note 1), WEHS entered into various QLICI notes as described below. These notes accrue interest at a rate of 1.155% per annum and mature on March 2050 (maturity). Quarterly interest-only payments are due through April 2024, at which time WEHS will make quarterly payments of principal and interest through maturity. The QLICI notes are secured by all assets of WEHS and are guaranteed by the Club. QLICI notes payable, held by WEHS, consist of the following at December 31:

	<u>2021</u>	<u>2020</u>
LIIF SUB-CDE XLI, LLC - Loan A	\$ 7,553,200	\$ 7,553,200
LIIF SUB-CDE XLI, LLC - Loan B	3,601,800	3,601,800
Chase New Market Corporation SUB-CDE 133, LLC - Loan A	656,800	656,800
Chase New Market Corporation SUB-CDE 133, LLC - Loan B	<u>343,200</u>	<u>343,200</u>
	<u>\$ 12,155,000</u>	<u>\$ 12,155,000</u>

8. FUNDS ACTING AS ENDOWMENT

Investment returns on the Endowment (see Note 2) are recorded as net assets with donor restrictions as specified by the donors. These amounts are included in investment return, net in the accompanying combined statements of activities and changes in net assets. The term endowment is an internal term not used in the traditional manner that would otherwise indicate permanently restricted net assets. The Organization is not required to permanently maintain any portion of the Endowment.

The Organization makes distributions from the Endowment to operations using the total-return method. Under the total-return method, endowment fund distributions consist of net investment return, including unrealized and realized gains. To satisfy its investment strategy objectives, the Organization 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 Organization targets a diversified conservative asset allocation to achieve its investment objectives within prudent risk constraints.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

8. FUNDS ACTING AS ENDOWMENT (Continued)

Funds acting as endowment was comprised of the following as of December 31:

	<u>General Fund</u>	<u>Scholarship Fund</u>	<u>Total</u>
Funds acting as endowment net assets, December 31, 2019	\$ 2,270,456	\$ 274,118	\$ 2,544,574
Endowment - scholarship contributions	-	4,660	4,660
Investment return	298,351	35,564	333,915
Investment return designated for operations	<u>(86,928)</u>	<u>(11,160)</u>	<u>(98,088)</u>
Funds acting as endowment net assets, December 31, 2020	2,481,879	303,182	2,785,061
Endowment - scholarship contributions	-	4,750	4,750
Investment return	408,827	49,942	458,769
Investment return designated for operations	<u>(90,996)</u>	<u>(11,664)</u>	<u>(102,660)</u>
Funds acting as endowment net assets, December 31, 2021	<u>\$ 2,799,710</u>	<u>\$ 346,210</u>	<u>\$ 3,145,920</u>

9. PENSION PLAN

The Organization has a defined contribution pension plan (the Plan) covering all eligible employees. Employees become eligible to participate after reaching age twenty-one and completing one year of service. The Organization contributes annually up to 5% of each eligible employee's annual salary. The Organization's contributions to the Plan become fully vested after three years of service. For the years ended December 31, 2021 and 2020, the Organization contributed \$82,992 and \$115,489, respectively, which are included in employee benefits in the accompanying combined statements of functional expenses.

10. RELATED PARTY TRANSACTIONS

The Chief Executive Officer (CEO) of the Organization is also on the Board of Directors of various other nonprofit organizations. During 2021 and 2020, the Organization received \$66,068 and \$54,400, respectively, in grants from these organizations, which are included in grants and contributions in the accompanying combined statements of activities and changes in net assets. The CEO was not involved in the grant approval process for any of the nonprofit organizations that made grant awards to the Organization during 2021 and 2020.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

11. CONDITIONAL AWARDS

Government Grants and Contracts - CARES Act

During 2021 and 2020, the Organization applied for, and was awarded, loans of \$382,500 (one in each year) from the Paycheck Protection Program established by the Coronavirus Aid, Relief and Economic Security Act (CARES Act). The funds were used to pay certain payroll costs, including benefits, as well as occupancy and utility costs during a covered period as defined in the CARES Act. These funds were subject to be forgiven, as defined in the agreement, at the end of the covered period and the remainder of the funds would be due over a two-year period with interest at 1%. Any repayment was deferred for a period of ten months from the end of the covered period, when the note, plus interest, would have been due in equal monthly payments through the maturity date as defined by the bank. The forgiveness calculations were subject to review and approval by the lending bank and the Small Business Administration (SBA). During 2021 and 2020, the entire balance and related interest of the respective loans were forgiven by the lending bank.

The loans have been accounted for as conditional grants under ASC Subtopic 958-605 (see Note 2). These grants were conditional upon certain performance requirements and the incurrence of eligible expenses. Amounts received were recognized as revenue when the Organization incurred expenditures in compliance with the loan application and CARES Act requirements. During the years ended December 31, 2021 and 2020, the Organization recognized the respective loan balances as grant revenue, which is included in government grants and contracts - CARES Act in the accompanying combined statements of activities and changes in net assets.

Government Grants and Contracts - Other

During 2021 and 2020, the Organization received government and state grants and contracts that contained conditions that represent a barrier that must be overcome, as well as a right of return of assets or release from obligations. The Organization recognizes these government and state grants and contracts when conditions are met. During the years ended December 31, 2021 and 2020, the Organization recognized \$604,321 and \$362,213, respectively, of government grants and contracts. Conditional promises with maximum obligations to give at December 31, 2021 and 2020, consist of cost-reimbursable government contracts totaling \$55,601 and \$43,215, respectively.

Grant and contract revenue from governmental agencies is subject to audit by the respective governmental authorities. In the opinion of management, the results of such audits, if any, will not have a material effect on the combined statements of financial position of the Organization as of December 31, 2021 and 2020, or on the combined statements of activities and changes in net assets for the years then ended.

Grants and Contributions

During 2021, the Organization was awarded \$46,160 of grants and contributions from third-party organizations that are conditional based on various criteria, as defined in the agreements, which are expected to be met during 2022. The full amount of these grants is conditional upon the Organization overcoming certain barriers, such as stipulations that limit discretion by the Organization on the activities conducted with the grant funds, as defined in the grant agreements. During the year ended December 31, 2021, the Organization recognized \$16,107 of these conditional grants as grant and contribution revenue in the accompanying 2021 combined statement of activities and changes in net assets. The remaining balance of \$30,053 of the grants is not reflected in the accompanying combined financial statements as the barriers have not yet been overcome as of December 31, 2021.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Notes to Combined Financial Statements
December 31, 2021 and 2020

12. CONTINGENCY

During 2021 and 2020, COVID-19 was recognized as a global pandemic. The impact of COVID-19 on the Organization's future operations and the demand for its services will depend upon, among other things, the duration, spread and intensity of the pandemic, related government responses, such as required physical distancing, restrictions on business operations and travel, the pace of recovery of economic activity, and the impact to its constituents, all of which are uncertain and impossible to predict. The financial impact to the Organization, if any, cannot be reasonably estimated at this time.

13. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available within one year from the combined statements of financial position date for general operating expenses are as follows as of December 31:

	<u>2021</u>	<u>2020</u>
Cash	\$ 3,091,142	\$ 2,918,892
Restricted cash	166,765	238,237
Current portion of pledges and contributions receivable	1,009,948	951,613
Government grants and contracts receivable	<u>385,175</u>	<u>140,204</u>
Total financial assets	4,653,030	4,248,946
Add - releases from donor time restrictions	319,500	117,500
Add - investment return designed for operations	117,609	102,660
Less - net assets with donor restrictions	<u>(2,345,639)</u>	<u>(1,926,911)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,744,500</u>	<u>\$ 2,542,195</u>

As part of the Organization's liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. The Organization receives donor restricted contributions which require resources to be used in a particular manner or in a future period; therefore, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, these financial assets may not be available for general expenditure within one year. To help manage unanticipated liquidity needs, the Organization also has a \$500,000 line of credit available (see Note 6).

14. RECLASSIFICATIONS

Certain amounts in the 2020 combined financial statements have been reclassified to conform with the 2021 presentation.

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Combining Statement of Financial Position
December 31, 2021

	West End House, Inc.			West End House Support, Inc.	Eliminations	Totals		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	Total
Assets								
Current Assets:								
Cash	\$ 1,687,330	\$ 1,347,691	\$ 3,035,021	\$ 56,121	\$ -	\$ 1,743,451	\$ 1,347,691	\$ 3,091,142
Restricted cash	-	-	-	166,765	-	166,765	-	166,765
Due from affiliate	569,323	-	569,323	-	(569,323)	-	-	-
Current portion of pledges and contributions receivable	12,000	997,948	1,009,948	-	-	12,000	997,948	1,009,948
Government grants and contracts receivable, net	385,175	-	385,175	-	-	385,175	-	385,175
Prepaid expenses	462	-	462	-	-	462	-	462
Total current assets	<u>2,654,290</u>	<u>2,345,639</u>	<u>4,999,929</u>	<u>222,886</u>	<u>(569,323)</u>	<u>2,307,853</u>	<u>2,345,639</u>	<u>4,653,492</u>
Other Assets:								
Pledges and contributions receivable, net	-	322,000	322,000	-	-	-	322,000	322,000
Deferred rent receivable	-	-	-	1,353,233	(1,353,233)	-	-	-
Investments	454,351	3,145,920	3,600,271	-	-	454,351	3,145,920	3,600,271
Note receivable	8,210,000	-	8,210,000	-	-	8,210,000	-	8,210,000
Property and equipment, net	337,194	-	337,194	11,412,653	-	11,749,847	-	11,749,847
Total other assets	<u>9,001,545</u>	<u>3,467,920</u>	<u>12,469,465</u>	<u>12,765,886</u>	<u>(1,353,233)</u>	<u>20,414,198</u>	<u>3,467,920</u>	<u>23,882,118</u>
Total assets	<u>\$ 11,655,835</u>	<u>\$ 5,813,559</u>	<u>\$ 17,469,394</u>	<u>\$ 12,988,772</u>	<u>\$ (1,922,556)</u>	<u>\$ 22,722,051</u>	<u>\$ 5,813,559</u>	<u>\$ 28,535,610</u>
Liabilities and Net Assets								
Current Liabilities:								
Current portion of notes payable	\$ -	\$ -	\$ -	\$ 59,595	\$ -	\$ 59,595	\$ -	\$ 59,595
Due to affiliate	-	-	-	569,323	(569,323)	-	-	-
Accounts payable and accrued expenses	351,209	-	351,209	-	-	351,209	-	351,209
Total current liabilities	<u>351,209</u>	<u>-</u>	<u>351,209</u>	<u>628,918</u>	<u>(569,323)</u>	<u>410,804</u>	<u>-</u>	<u>410,804</u>
Deferred Rent Payable	1,353,233	-	1,353,233	-	(1,353,233)	-	-	-
Notes Payable, net	-	-	-	12,699,357	-	12,699,357	-	12,699,357
Total liabilities	<u>1,704,442</u>	<u>-</u>	<u>1,704,442</u>	<u>13,328,275</u>	<u>(1,922,556)</u>	<u>13,110,161</u>	<u>-</u>	<u>13,110,161</u>
Net Assets:								
Without donor restrictions:								
Operating	729,684	-	729,684	-	-	729,684	-	729,684
Real estate	7,763,284	-	7,763,284	(339,503)	-	7,423,781	-	7,423,781
Board designated:								
Operating reserve	762,115	-	762,115	-	-	762,115	-	762,115
Racial equity fund	130,343	-	130,343	-	-	130,343	-	130,343
Capital reserve	565,967	-	565,967	-	-	565,967	-	565,967
Total without donor restrictions	<u>9,951,393</u>	<u>-</u>	<u>9,951,393</u>	<u>(339,503)</u>	<u>-</u>	<u>9,611,890</u>	<u>-</u>	<u>9,611,890</u>
With donor restrictions:								
Purpose restricted	-	1,518,866	1,518,866	-	-	-	1,518,866	1,518,866
Time restricted	-	669,500	669,500	-	-	-	669,500	669,500
Comprehensive campaign	-	479,273	479,273	-	-	-	479,273	479,273
Funds acting as endowment - general	-	2,799,710	2,799,710	-	-	-	2,799,710	2,799,710
Funds acting as endowment - scholarship	-	346,210	346,210	-	-	-	346,210	346,210
Total with donor restrictions	<u>-</u>	<u>5,813,559</u>	<u>5,813,559</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,813,559</u>	<u>5,813,559</u>
Total net assets	<u>9,951,393</u>	<u>5,813,559</u>	<u>15,764,952</u>	<u>(339,503)</u>	<u>-</u>	<u>9,611,890</u>	<u>5,813,559</u>	<u>15,425,449</u>
Total liabilities and net assets	<u>\$ 11,655,835</u>	<u>\$ 5,813,559</u>	<u>\$ 17,469,394</u>	<u>\$ 12,988,772</u>	<u>\$ (1,922,556)</u>	<u>\$ 22,722,051</u>	<u>\$ 5,813,559</u>	<u>\$ 28,535,610</u>

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Combining Statement of Financial Position
December 31, 2020

	West End House, Inc.			West End House Support, Inc.	Eliminations	Totals		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	Total
Assets								
Current Assets:								
Cash	\$ 1,787,847	\$ 1,100,455	\$ 2,888,302	\$ 30,590	\$ -	\$ 1,818,437	\$ 1,100,455	\$ 2,918,892
Restricted cash	-	-	-	238,237	-	238,237	-	238,237
Due from affiliate	145,284	-	145,284	-	(145,284)	-	-	-
Current portion of pledges and contributions receivable	125,157	826,456	951,613	-	-	125,157	826,456	951,613
Government grants and contracts receivable, net	140,204	-	140,204	-	-	140,204	-	140,204
Prepaid expenses	2,902	-	2,902	-	-	2,902	-	2,902
Total current assets	<u>2,201,394</u>	<u>1,926,911</u>	<u>4,128,305</u>	<u>268,827</u>	<u>(145,284)</u>	<u>2,324,937</u>	<u>1,926,911</u>	<u>4,251,848</u>
Other Assets:								
Pledges and contributions receivable, net	-	559,250	559,250	-	-	-	559,250	559,250
Deferred rent receivable	-	-	-	992,371	(992,371)	-	-	-
Investments	251,760	2,785,061	3,036,821	-	-	251,760	2,785,061	3,036,821
Note receivable	8,210,000	-	8,210,000	-	-	8,210,000	-	8,210,000
Property and equipment, net	97,295	-	97,295	11,766,915	-	11,864,210	-	11,864,210
Total other assets	<u>8,559,055</u>	<u>3,344,311</u>	<u>11,903,366</u>	<u>12,759,286</u>	<u>(992,371)</u>	<u>20,325,970</u>	<u>3,344,311</u>	<u>23,670,281</u>
Total assets	<u>\$ 10,760,449</u>	<u>\$ 5,271,222</u>	<u>\$ 16,031,671</u>	<u>\$ 13,028,113</u>	<u>\$ (1,137,655)</u>	<u>\$ 22,650,907</u>	<u>\$ 5,271,222</u>	<u>\$ 27,922,129</u>
Liabilities and Net Assets								
Current Liabilities:								
Current portion of notes payable	\$ -	\$ -	\$ -	\$ 39,248	\$ -	\$ 39,248	\$ -	\$ 39,248
Due to affiliate	-	-	-	145,284	(145,284)	-	-	-
Accounts payable and accrued expenses	307,017	-	307,017	5,616	-	312,633	-	312,633
Total current liabilities	<u>307,017</u>	<u>-</u>	<u>307,017</u>	<u>190,148</u>	<u>(145,284)</u>	<u>351,881</u>	<u>-</u>	<u>351,881</u>
Deferred Rent Payable	992,371	-	992,371	-	(992,371)	-	-	-
Notes Payable, net	-	-	-	13,063,854	-	13,063,854	-	13,063,854
Total liabilities	<u>1,299,388</u>	<u>-</u>	<u>1,299,388</u>	<u>13,254,002</u>	<u>(1,137,655)</u>	<u>13,415,735</u>	<u>-</u>	<u>13,415,735</u>
Net Assets:								
Without donor restrictions:								
Operating	315,368	-	315,368	-	-	315,368	-	315,368
Real estate	7,460,208	-	7,460,208	(225,889)	-	7,234,319	-	7,234,319
Board designated:								
Operating reserve	759,912	-	759,912	-	-	759,912	-	759,912
Racial equity fund	130,343	-	130,343	-	-	130,343	-	130,343
Debt retirement fund	229,312	-	229,312	-	-	229,312	-	229,312
Capital reserve	565,918	-	565,918	-	-	565,918	-	565,918
Total without donor restrictions	<u>9,461,061</u>	<u>-</u>	<u>9,461,061</u>	<u>(225,889)</u>	<u>-</u>	<u>9,235,172</u>	<u>-</u>	<u>9,235,172</u>
With donor restrictions:								
Purpose restricted	-	1,252,235	1,252,235	-	-	-	1,252,235	1,252,235
Time restricted	-	531,500	531,500	-	-	-	531,500	531,500
Comprehensive campaign	-	702,426	702,426	-	-	-	702,426	702,426
Funds acting as endowment - general	-	2,481,879	2,481,879	-	-	-	2,481,879	2,481,879
Funds acting as endowment - scholarship	-	303,182	303,182	-	-	-	303,182	303,182
Total with donor restrictions	<u>-</u>	<u>5,271,222</u>	<u>5,271,222</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,271,222</u>	<u>5,271,222</u>
Total net assets	<u>9,461,061</u>	<u>5,271,222</u>	<u>14,732,283</u>	<u>(225,889)</u>	<u>-</u>	<u>9,235,172</u>	<u>5,271,222</u>	<u>14,506,394</u>
Total liabilities and net assets	<u>\$ 10,760,449</u>	<u>\$ 5,271,222</u>	<u>\$ 16,031,671</u>	<u>\$ 13,028,113</u>	<u>\$ (1,137,655)</u>	<u>\$ 22,650,907</u>	<u>\$ 5,271,222</u>	<u>\$ 27,922,129</u>

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Combining Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2021

	West End House, Inc.			West End House Support, Inc.	Eliminations	Totals		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues:								
Grants and contributions	\$ 1,000,695	\$ 1,303,795	\$ 2,304,490	\$ -	\$ -	\$ 1,000,695	\$ 1,303,795	\$ 2,304,490
Special events revenue	532,401	182,500	714,901	-	-	532,401	182,500	714,901
Government grants and contracts - other	513,240	91,081	604,321	-	-	513,240	91,081	604,321
Individual donations	505,777	54,940	560,717	-	-	505,777	54,940	560,717
Government grants and contracts - CARES Act	382,500	-	382,500	-	-	382,500	-	382,500
Investment return designated for operations	102,660	-	102,660	-	-	102,660	-	102,660
Interest and other revenue	85,713	-	85,713	560,890	(560,862)	85,741	-	85,741
Comprehensive campaign contributions designated for operations	75,000	-	75,000	-	-	75,000	-	75,000
In-kind contributions - goods and services	38,523	-	38,523	-	-	38,523	-	38,523
Net assets released from time restrictions - special events	117,500	(117,500)	-	-	-	117,500	(117,500)	-
Net assets released from purpose restrictions	1,110,185	(1,110,185)	-	-	-	1,110,185	(1,110,185)	-
Total operating revenues	<u>4,464,194</u>	<u>404,631</u>	<u>4,868,825</u>	<u>560,890</u>	<u>(560,862)</u>	<u>4,464,222</u>	<u>404,631</u>	<u>4,868,853</u>
Operating Expenses:								
Program services	3,705,559	-	3,705,559	190,111	(548,862)	3,346,808	-	3,346,808
General and administrative	228,673	-	228,673	30,566	(6,000)	253,239	-	253,239
Fundraising	431,256	-	431,256	6,067	(6,000)	431,323	-	431,323
Total operating expenses before depreciation and amortization	<u>4,365,488</u>	<u>-</u>	<u>4,365,488</u>	<u>226,744</u>	<u>(560,862)</u>	<u>4,031,370</u>	<u>-</u>	<u>4,031,370</u>
Changes in net assets from operations before depreciation and amortization	<u>98,706</u>	<u>404,631</u>	<u>503,337</u>	<u>334,146</u>	<u>-</u>	<u>432,852</u>	<u>404,631</u>	<u>837,483</u>
Depreciation and amortization	<u>22,818</u>	<u>-</u>	<u>22,818</u>	<u>447,760</u>	<u>-</u>	<u>470,578</u>	<u>-</u>	<u>470,578</u>
Total operating expenses	<u>4,388,306</u>	<u>-</u>	<u>4,388,306</u>	<u>674,504</u>	<u>(560,862)</u>	<u>4,501,948</u>	<u>-</u>	<u>4,501,948</u>
Changes in net assets from operations	<u>75,888</u>	<u>404,631</u>	<u>480,519</u>	<u>(113,614)</u>	<u>-</u>	<u>(37,726)</u>	<u>404,631</u>	<u>366,905</u>
Other Revenues (Expenses):								
Investment return, net	41,471	458,769	500,240	-	-	41,471	458,769	500,240
Capital grants	190,973	-	190,973	-	-	190,973	-	190,973
Comprehensive campaign contributions	25,000	8,847	33,847	-	-	25,000	8,847	33,847
Endowment - scholarship contributions	-	4,750	4,750	-	-	-	4,750	4,750
Comprehensive campaign contributions designated for operations	(75,000)	-	(75,000)	-	-	(75,000)	-	(75,000)
Investment return designated for operations	-	(102,660)	(102,660)	-	-	-	(102,660)	(102,660)
Net assets released from comprehensive campaign	232,000	(232,000)	-	-	-	232,000	(232,000)	-
Total other revenues (expenses)	<u>414,444</u>	<u>137,706</u>	<u>552,150</u>	<u>-</u>	<u>-</u>	<u>414,444</u>	<u>137,706</u>	<u>552,150</u>
Changes in net assets	<u>490,332</u>	<u>542,337</u>	<u>1,032,669</u>	<u>(113,614)</u>	<u>-</u>	<u>376,718</u>	<u>542,337</u>	<u>919,055</u>
Net Assets:								
Beginning of year	<u>9,461,061</u>	<u>5,271,222</u>	<u>14,732,283</u>	<u>(225,889)</u>	<u>-</u>	<u>9,235,172</u>	<u>5,271,222</u>	<u>14,506,394</u>
End of year	<u>\$ 9,951,393</u>	<u>\$ 5,813,559</u>	<u>\$ 15,764,952</u>	<u>\$ (339,503)</u>	<u>\$ -</u>	<u>\$ 9,611,890</u>	<u>\$ 5,813,559</u>	<u>\$ 15,425,449</u>

**WEST END HOUSE, INC.
D/B/A WEST END HOUSE BOYS AND GIRLS CLUB OF ALLSTON-BRIGHTON
AND WEST END HOUSE SUPPORT, INC.**

Combining Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2020

	West End House, Inc.			West End House Support, Inc.	Eliminations	Totals		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions		Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues:								
Grants and contributions	\$ 1,038,064	\$ 1,036,584	\$ 2,074,648	\$ -	\$ -	\$ 1,038,064	\$ 1,036,584	\$ 2,074,648
Special events revenue	471,576	117,500	589,076	-	-	471,576	117,500	589,076
Government grants and contracts - other	305,073	57,140	362,213	-	-	305,073	57,140	362,213
Individual donations	488,370	111,500	599,870	-	-	488,370	111,500	599,870
Government grants and contracts - CARES Act	382,500	-	382,500	-	-	382,500	-	382,500
Investment return designated for operations	98,088	-	98,088	-	-	98,088	-	98,088
Interest and other revenue	113,917	-	113,917	563,687	(562,862)	114,742	-	114,742
Comprehensive campaign contributions designated for operations	45,000	-	45,000	-	-	45,000	-	45,000
In-kind contributions - goods and services	46,535	-	46,535	-	-	46,535	-	46,535
Net assets released from time restrictions - special events	127,000	(127,000)	-	-	-	127,000	(127,000)	-
Net assets released from purpose restrictions	877,984	(877,984)	-	-	-	877,984	(877,984)	-
Total operating revenues	<u>3,994,107</u>	<u>317,740</u>	<u>4,311,847</u>	<u>563,687</u>	<u>(562,862)</u>	<u>3,994,932</u>	<u>317,740</u>	<u>4,312,672</u>
Operating Expenses:								
Program services	3,319,892	-	3,319,892	201,633	(550,742)	2,970,783	-	2,970,783
General and administrative	249,167	-	249,167	34,435	(6,060)	277,542	-	277,542
Fundraising	398,863	-	398,863	6,435	(6,060)	399,238	-	399,238
Total operating expenses before depreciation and amortization	<u>3,967,922</u>	<u>-</u>	<u>3,967,922</u>	<u>242,503</u>	<u>(562,862)</u>	<u>3,647,563</u>	<u>-</u>	<u>3,647,563</u>
Changes in net assets from operations before depreciation and amortization	<u>26,185</u>	<u>317,740</u>	<u>343,925</u>	<u>321,184</u>	<u>-</u>	<u>347,369</u>	<u>317,740</u>	<u>665,109</u>
Depreciation and amortization	<u>7,179</u>	<u>-</u>	<u>7,179</u>	<u>448,954</u>	<u>-</u>	<u>456,133</u>	<u>-</u>	<u>456,133</u>
Total operating expenses	<u>3,975,101</u>	<u>-</u>	<u>3,975,101</u>	<u>691,457</u>	<u>(562,862)</u>	<u>4,103,696</u>	<u>-</u>	<u>4,103,696</u>
Changes in net assets from operations	<u>19,006</u>	<u>317,740</u>	<u>336,746</u>	<u>(127,770)</u>	<u>-</u>	<u>(108,764)</u>	<u>317,740</u>	<u>208,976</u>
Other Revenues (Expenses):								
Investment return, net	26,103	333,915	360,018	-	-	26,103	333,915	360,018
Comprehensive campaign contributions	-	408,064	408,064	-	-	-	408,064	408,064
Endowment - scholarship contributions	-	4,660	4,660	-	-	-	4,660	4,660
Bequests	429,665	-	429,665	-	-	429,665	-	429,665
In-kind contributions - capital	23,744	-	23,744	-	-	23,744	-	23,744
Comprehensive campaign contributions designated for operations	(45,000)	-	(45,000)	-	-	(45,000)	-	(45,000)
Investment return designated for operations	-	(98,088)	(98,088)	-	-	-	(98,088)	(98,088)
Net assets released from comprehensive campaign	245,463	(245,463)	-	-	-	245,463	(245,463)	-
Total other revenues (expenses)	<u>679,975</u>	<u>403,088</u>	<u>1,083,063</u>	<u>-</u>	<u>-</u>	<u>679,975</u>	<u>403,088</u>	<u>1,083,063</u>
Changes in net assets	<u>698,981</u>	<u>720,828</u>	<u>1,419,809</u>	<u>(127,770)</u>	<u>-</u>	<u>571,211</u>	<u>720,828</u>	<u>1,292,039</u>
Net Assets:								
Beginning of year	<u>8,762,080</u>	<u>4,550,394</u>	<u>13,312,474</u>	<u>(98,119)</u>	<u>-</u>	<u>8,663,961</u>	<u>4,550,394</u>	<u>13,214,355</u>
End of year	<u>\$ 9,461,061</u>	<u>\$ 5,271,222</u>	<u>\$ 14,732,283</u>	<u>\$ (225,889)</u>	<u>\$ -</u>	<u>\$ 9,235,172</u>	<u>\$ 5,271,222</u>	<u>\$ 14,506,394</u>