



**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, 2022 AND 2021**

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

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December 31, 2022 and 2021

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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.:

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 statements of financial position as of December 31, 2022 and 2021, and the related combined statements of activities and changes in net assets, cash flows, and functional expenses for the years 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, 2022 and 2021, and the changes in their net assets and their 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). 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 the Organization 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.

Responsibilities of Management for the 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 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information shown on pages 23 through 26 is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the combined financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

AAFCPAs, Inc.

Boston, Massachusetts
June 28, 2023

**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, 2022 and 2021

Assets	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Current Assets:						
Cash	\$ 545,631	\$ 1,442,812	\$ 1,988,443	\$ 1,743,451	\$ 1,347,691	\$ 3,091,142
Current portion of investments	1,012,144	-	1,012,144	-	-	-
Restricted cash	95,632	-	95,632	166,765	-	166,765
Current portion of pledges and contributions receivable	58,500	808,450	866,950	12,000	997,948	1,009,948
Government grants and contracts receivable, net	663,266	-	663,266	385,175	-	385,175
Prepaid expenses	54,967	-	54,967	462	-	462
Total current assets	<u>2,430,140</u>	<u>2,251,262</u>	<u>4,681,402</u>	<u>2,307,853</u>	<u>2,345,639</u>	<u>4,653,492</u>
Other Assets:						
Pledges and contributions receivable, net	-	1,008,078	1,008,078	-	322,000	322,000
Investments, net	418,403	2,505,658	2,924,061	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	11,355,702	-	11,355,702	11,749,847	-	11,749,847
Total other assets	<u>19,984,105</u>	<u>3,513,736</u>	<u>23,497,841</u>	<u>20,414,198</u>	<u>3,467,920</u>	<u>23,882,118</u>
Total assets	<u>\$ 22,414,245</u>	<u>\$ 5,764,998</u>	<u>\$ 28,179,243</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	\$ 65,587	\$ -	\$ 65,587	\$ 59,595	\$ -	\$ 59,595
Accounts payable and accrued expenses	268,786	-	268,786	351,209	-	351,209
Conditional grant advance	64,105	-	64,105	-	-	-
Total current liabilities	<u>398,478</u>	<u>-</u>	<u>398,478</u>	<u>410,804</u>	<u>-</u>	<u>410,804</u>
Notes Payable, net	<u>12,433,313</u>	<u>-</u>	<u>12,433,313</u>	<u>12,699,357</u>	<u>-</u>	<u>12,699,357</u>
Total liabilities	<u>12,831,791</u>	<u>-</u>	<u>12,831,791</u>	<u>13,110,161</u>	<u>-</u>	<u>13,110,161</u>
Net Assets:						
Without donor restrictions:						
Operating	945,675	-	945,675	729,684	-	729,684
Real estate	7,176,849	-	7,176,849	7,423,781	-	7,423,781
Board designated:						
Operating reserve	763,564	-	763,564	762,115	-	762,115
Racial equity fund	130,343	-	130,343	130,343	-	130,343
Capital reserve	566,023	-	566,023	565,967	-	565,967
Total without donor restrictions	<u>9,582,454</u>	<u>-</u>	<u>9,582,454</u>	<u>9,611,890</u>	<u>-</u>	<u>9,611,890</u>
With donor restrictions:						
Purpose restricted	-	2,154,885	2,154,885	-	1,518,866	1,518,866
Time restricted	-	626,500	626,500	-	669,500	669,500
Comprehensive campaign	-	477,959	477,959	-	479,273	479,273
Funds acting as endowment - general	-	2,222,487	2,222,487	-	2,799,710	2,799,710
Funds acting as endowment - scholarship	-	283,167	283,167	-	346,210	346,210
Total with donor restrictions	<u>-</u>	<u>5,764,998</u>	<u>5,764,998</u>	<u>-</u>	<u>5,813,559</u>	<u>5,813,559</u>
Total net assets	<u>9,582,454</u>	<u>5,764,998</u>	<u>15,347,452</u>	<u>9,611,890</u>	<u>5,813,559</u>	<u>15,425,449</u>
Total liabilities and net assets	<u>\$ 22,414,245</u>	<u>\$ 5,764,998</u>	<u>\$ 28,179,243</u>	<u>\$ 22,722,051</u>	<u>\$ 5,813,559</u>	<u>\$ 28,535,610</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, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenues:						
Grants and contributions	\$ 847,370	\$ 1,681,600	\$ 2,528,970	\$ 1,000,695	\$ 1,303,795	\$ 2,304,490
Individual donations	582,099	402,441	984,540	505,777	54,940	560,717
Government grants and contracts - other	588,754	-	588,754	513,240	91,081	604,321
Special events revenue	533,472	10,000	543,472	532,401	182,500	714,901
Government grants and contracts - CARES Act	486,195	-	486,195	382,500	-	382,500
Contributed non-financial assets	131,267	-	131,267	38,523	-	38,523
Investment return designated for operations	118,452	-	118,452	102,660	-	102,660
Interest and other revenue	86,155	-	86,155	85,741	-	85,741
Comprehensive campaign contributions designated for operations	73,864	-	73,864	75,000	-	75,000
Net assets released from time restrictions - special events and other	232,500	(232,500)	-	117,500	(117,500)	-
Net assets released from purpose restrictions	1,268,522	(1,268,522)	-	1,110,185	(1,110,185)	-
Total operating revenues	<u>4,948,650</u>	<u>593,019</u>	<u>5,541,669</u>	<u>4,464,222</u>	<u>404,631</u>	<u>4,868,853</u>
Operating Expenses:						
Program services	3,833,833	-	3,833,833	3,346,808	-	3,346,808
General and administrative	239,960	-	239,960	253,239	-	253,239
Fundraising	559,590	-	559,590	431,323	-	431,323
Total operating expenses before depreciation and amortization	<u>4,633,383</u>	<u>-</u>	<u>4,633,383</u>	<u>4,031,370</u>	<u>-</u>	<u>4,031,370</u>
Changes in net assets from operations before depreciation and amortization	<u>315,267</u>	<u>593,019</u>	<u>908,286</u>	<u>432,852</u>	<u>404,631</u>	<u>837,483</u>
Depreciation and amortization	<u>485,381</u>	<u>-</u>	<u>485,381</u>	<u>470,578</u>	<u>-</u>	<u>470,578</u>
Total operating expenses	<u>5,118,764</u>	<u>-</u>	<u>5,118,764</u>	<u>4,501,948</u>	<u>-</u>	<u>4,501,948</u>
Changes in net assets from operations	<u>(170,114)</u>	<u>593,019</u>	<u>422,905</u>	<u>(37,726)</u>	<u>404,631</u>	<u>366,905</u>
Other Revenues (Expenses):						
Comprehensive campaign contributions	29,954	242,800	272,754	25,000	8,847	33,847
Capital grants	15,232	-	15,232	190,973	-	190,973
Endowment - scholarship contributions	-	8,020	8,020	-	4,750	4,750
Comprehensive campaign contributions designated for operations	(73,864)	-	(73,864)	(75,000)	-	(75,000)
Investment return designated for operations	-	(118,452)	(118,452)	-	(102,660)	(102,660)
Investment return, net	(74,758)	(529,834)	(604,592)	41,471	458,769	500,240
Net assets released from comprehensive campaign	244,114	(244,114)	-	232,000	(232,000)	-
Total other revenues (expenses)	<u>140,678</u>	<u>(641,580)</u>	<u>(500,902)</u>	<u>414,444</u>	<u>137,706</u>	<u>552,150</u>
Changes in net assets	<u>(29,436)</u>	<u>(48,561)</u>	<u>(77,997)</u>	<u>376,718</u>	<u>542,337</u>	<u>919,055</u>
Net Assets:						
Beginning 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>
End of year	<u>\$ 9,582,454</u>	<u>\$ 5,764,998</u>	<u>\$ 15,347,452</u>	<u>\$ 9,611,890</u>	<u>\$ 5,813,559</u>	<u>\$ 15,425,449</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, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities:		
Changes in net assets	\$ (77,997)	\$ 919,055
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	485,381	470,578
Increase (decrease) in discount on pledges and contributions receivable	13,800	(11,847)
Realized and unrealized (gain) loss on investments	629,877	(462,663)
Capital grants	(15,232)	(190,973)
Comprehensive campaign contributions	(272,754)	(33,847)
Changes in operating assets and liabilities:		
Pledges and contributions receivable	(556,880)	190,762
Government grants and contracts receivable, net	(278,091)	(98,998)
Prepaid expenses	(54,505)	2,440
Accounts payable and accrued expenses	(82,423)	38,576
Conditional grant advance	64,105	-
Net cash provided by (used in) operating activities	<u>(144,719)</u>	<u>823,083</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(12,020)	(276,999)
Proceeds from sale of investments	944,516	704,025
Purchase of investments	<u>(1,910,327)</u>	<u>(804,812)</u>
Net cash used in investing activities	<u>(977,831)</u>	<u>(377,786)</u>
Cash Flows from Financing Activities:		
Proceeds from notes payable	-	1,330,000
Proceeds from capital grants	15,232	45,000
Proceeds from comprehensive campaign contributions	272,754	33,847
Principal payments on notes payable	<u>(339,268)</u>	<u>(1,753,366)</u>
Net cash used in financing activities	<u>(51,282)</u>	<u>(344,519)</u>
Net Change in Cash and Restricted Cash	(1,173,832)	100,778
Cash and Restricted Cash:		
Beginning of year	<u>3,257,907</u>	<u>3,157,129</u>
End of year	<u>\$ 2,084,075</u>	<u>\$ 3,257,907</u>
Reconciliation of Cash and Restricted Cash Reported Within the Combined Statements of Financial Position:		
Cash	\$ 1,988,443	\$ 3,091,142
Restricted cash	<u>95,632</u>	<u>166,765</u>
Total cash and restricted cash shown in the combined statements of cash flows	<u>\$ 2,084,075</u>	<u>\$ 3,257,907</u>
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	<u>\$ 163,131</u>	<u>\$ 202,011</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, 2022 and 2021

	2022				2021			
	Program Services	General and Administrative	Fundraising	Total	Program Services	General and Administrative	Fundraising	Total
Salaries and Related:								
Salaries	\$ 1,834,006	\$ 96,457	\$ 279,454	\$ 2,209,917	\$ 1,604,075	\$ 99,209	\$ 287,675	\$ 1,990,959
Employee benefits	275,668	14,262	40,885	330,815	220,712	13,045	37,828	271,585
Payroll taxes	152,832	8,212	23,521	184,565	133,621	8,147	23,623	165,391
Staff development	52,239	-	26,613	78,852	29,061	-	2,840	31,901
Stipends	38,895	-	-	38,895	19,910	-	-	19,910
Total salaries and related	<u>2,353,640</u>	<u>118,931</u>	<u>370,473</u>	<u>2,843,044</u>	<u>2,007,379</u>	<u>120,401</u>	<u>351,966</u>	<u>2,479,746</u>
Occupancy:								
Repairs and maintenance	270,853	8,302	8,303	287,458	172,587	5,508	5,508	183,603
Utilities	206,769	6,598	6,599	219,966	163,506	5,218	5,217	173,941
Interest	153,343	4,894	4,894	163,131	189,891	6,060	6,060	202,011
Insurance	41,955	1,341	1,340	44,636	38,225	1,220	1,220	40,665
Total occupancy	<u>672,920</u>	<u>21,135</u>	<u>21,136</u>	<u>715,191</u>	<u>564,209</u>	<u>18,006</u>	<u>18,005</u>	<u>600,220</u>
Other:								
Professional fees	96,135	92,170	-	188,305	141,929	109,974	-	251,903
Donated clothing	131,267	-	-	131,267	38,523	-	-	38,523
Event expenses	-	-	130,780	130,780	-	-	33,145	33,145
Grant expense	112,383	-	-	112,383	131,937	-	-	131,937
Food	100,026	-	-	100,026	70,944	-	-	70,944
Miscellaneous	71,320	4,288	10,284	85,892	55,305	1,969	1,741	59,015
COVID response	85,026	-	-	85,026	177,936	-	-	177,936
Information technology	51,143	1,598	17,371	70,112	51,094	1,193	11,159	63,446
Scholarships	52,366	-	-	52,366	23,137	-	-	23,137
Program supplies and other	44,638	-	-	44,638	25,330	-	-	25,330
Dues and subscriptions	21,748	926	660	23,334	22,592	963	1,015	24,570
Transportation	19,288	-	-	19,288	10,794	-	52	10,846
Telephone	16,598	532	532	17,662	18,096	581	580	19,257
Postage and printing	1,522	40	7,911	9,473	5,129	73	13,291	18,493
Office supplies	3,813	340	443	4,596	2,474	79	369	2,922
Total other	<u>807,273</u>	<u>99,894</u>	<u>167,981</u>	<u>1,075,148</u>	<u>775,220</u>	<u>114,832</u>	<u>61,352</u>	<u>951,404</u>
Total operating expenses before depreciation and amortization	3,833,833	239,960	559,590	4,633,383	3,346,808	253,239	431,323	4,031,370
Depreciation and Amortization	<u>461,012</u>	<u>12,184</u>	<u>12,185</u>	<u>485,381</u>	<u>447,098</u>	<u>11,740</u>	<u>11,740</u>	<u>470,578</u>
Total operating expenses	<u>\$ 4,294,845</u>	<u>\$ 252,144</u>	<u>\$ 571,775</u>	<u>\$ 5,118,764</u>	<u>\$ 3,793,906</u>	<u>\$ 264,979</u>	<u>\$ 443,063</u>	<u>\$ 4,501,948</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, 2022 and 2021

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 & Girls Club located in Boston that provides outcome-driven programs to Boston youth. The Club has members who reside in 23 of Boston's 30 zip code areas, including residents of the most underserved neighborhoods. The Club delivers high-impact programs that focus on youth development, academic success; college and career pathways; visual and performing arts; sports, fitness, and nutrition; equitable food access; and trauma-informed wellness.

The Club serves 900 youth ages 8 through 24 including those who participate in the after-school and summer youth development programs and alumni enrolled in the College and Career Pathways Program. An additional 160 families are served through the Food for Families Program. Annual youth membership fees are \$15 and free for teens, for youth residing in subsidized housing, and for families in the Food for Families Program. The Club's programs are as follows:

- **Academic Success** - the Club provides year-round academic programming that includes daily homework support; literacy support for elementary school youth through its Reading Buddies program; Science, Technology, Engineering and Math (STEM) programs; mentoring; tutoring; and social emotional skill development.
- **College and Career Pathways** - four full-time staff are dedicated to supporting youth ages 18 through 24 and provide strength-based coaching and case management in one-on-one and group settings for Club alumni pursuing a college degree and/or meaningful, career-oriented employment. Following a seven plus year track record of success in guiding young people to earn college degrees, including many first-generation students, the Club expanded programming to focus on young people who desire employment following high school completion.
- **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. Year-round employment for teens remains a priority of the Club in addition to providing grants for alumni who secure competitive unpaid 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. Partners include Boston Children's Hospital with their Fit Kit initiative and evaluation support for our Pacer Test.
- **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. Partners in the Arts program include the Museum of Fine Arts, Berklee College, Lesley University, Music & Youth Initiative, Inc., and Hasty Pudding Theatricals.
- **Trauma-Informed Wellness Programming** - is embedded in all of the Club's programming under the leadership of the Director of Community Health and Wellness. The Club has added this critical enhancement to its services to meet the needs of the community. In 2023, the Club expanded its trauma-informed programming in partnership with Boston Public Schools' Edison K-8 School. Programming is provided on site at the Edison School from the Club's Manager of Therapeutic Art Programs and Partnerships.

**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, 2022 and 2021

1. OPERATIONS AND NONPROFIT STATUS (Continued)

- **Food for Families 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, the Club provided families with groceries totaling over 1,000,000 pounds of food. Survey data from families indicated the need to continue to provide this program with the goal of ensuring equitable food access for all.

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 through 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 difficulty 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. Beginning in 2023, the Club transitioned its data to MyClubHub, a Salesforce based platform launched in partnership with the Boys & Girls Clubs of America.
- **Salesforce** - is a customized database used by the Club's College Pathways 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.

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Notes to Combined Financial Statements
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1. OPERATIONS AND NONPROFIT STATUS (Continued)

Combined Affiliate (Continued)

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.

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).

Accounting Principle Adoption

In September 2020, the FASB issued Accounting Standards Update (ASU) 2020-07, Not-for-Profit Entities (Topic 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 is intended to increase the transparency of contributed nonfinancial assets (in-kind goods and services) for not-for-profit entities through enhancements to presentation and disclosure. The amendments in this ASU do not change the recognition and measurement requirements of in-kind goods and services. During 2022, the Organization adopted ASU 2020-07. The adoption of this ASU did not impact the Organization's combined net asset classes, changes in net assets, or cash flows for the year ended December 31, 2022. This ASU has been applied retrospectively to all periods presented.

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, 2022 and 2021, 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.

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2022 or 2021.

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 \$1,800 and \$7,860 at December 31, 2022 and 2021, respectively.

Investments

The Organization records its investments at fair value using Level 1 inputs (see page 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, 2022 or 2021.

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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>2022</u>	<u>2021</u>
Building and improvements	10 - 40 years	\$ 13,392,523	\$ 13,392,523
Furniture and equipment	3 - 10 years	438,651	426,631
Land	N/A	<u>25,374</u>	<u>25,374</u>
		13,856,548	13,844,528
Less - accumulated depreciation		<u>(2,500,846)</u>	<u>(2,094,681)</u>
Property and equipment, net		<u>\$ 11,355,702</u>	<u>\$ 11,749,847</u>

Depreciation expense was \$406,165 and \$391,362 for the years ended December 31, 2022 and 2021, respectively, and is included in depreciation and amortization in the accompanying combined statements of functional expenses.

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 2022 or 2021.

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.

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (Continued)

As of December 31, 2022 and 2021, 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.

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.

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 other than investments (see page 12) are valued using Level 1 inputs.

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

Investments

Investments are recorded in the combined financial statements at fair value. If an investment is directly held by the Organization and an active market with quoted prices exists, the market price of an identical security (Level 1 input) is used to report fair value. The Organization records its corporate bond investments using quoted prices for identical or similar assets in non-active markets (Level 2 inputs).

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).

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 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, 2022 and 2021.

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.

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Government Grants and Contracts and Philanthropic Support (Continued)

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.

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 obligation. 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, 2022 and 2021, and therefore, is not reflected as such.

Interest and Other Revenue

Interest and other revenue is recorded when earned.

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Non-Financial Assets

Various individuals and organizations contribute clothing 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. Contributed non-financial assets do not have donor-imposed restrictions. The estimated fair value of these contributed non-financial assets was \$131,267 and \$38,523 for the years ended December 31, 2022 and 2021, respectively.

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*.

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.

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, 2022 or 2021. The Organization's information returns are subject to examination by the Federal and state jurisdictions.

Subsequent Events

Subsequent events have been evaluated through June 28, 2023, which is the date the combined financial statements were available to be issued. There were no events that met the criteria for recognition or disclosure in the combined financial statements.

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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>2022</u>	<u>2021</u>
Amounts due in:		
Within one year	\$ 866,950	\$ 1,009,948
One to two years	595,000	50,000
Two to three years	145,000	50,000
Three to four years	120,000	50,000
Four to five years	89,878	50,000
More than five years	<u>100,000</u>	<u>150,000</u>
	1,916,828	1,359,948
Less - discount	41,800	28,000
Less - current portion	<u>866,950</u>	<u>1,009,948</u>
	<u>\$ 1,008,078</u>	<u>\$ 322,000</u>

The pledges and contributions receivable have been discounted using a 2% interest rate as of December 31, 2022 and 2021. Two donors represented approximately 54% and 39% of the total outstanding pledges and contributions receivable as of December 31, 2022 and 2021, respectively.

4. INVESTMENTS

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

<u>2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and equivalents:				
Cash	\$ 785,960	\$ -	\$ -	\$ 785,960
Equities:				
Common stock	933,376	-	-	933,376
Exchange-traded funds (ETFs)	563,892	-	-	563,892
Mutual funds	76,350	-	-	76,350
Fixed income:				
U.S. Government obligations	1,012,144	-	-	1,012,144
Corporate bond funds	<u>-</u>	<u>564,483</u>	<u>-</u>	<u>564,483</u>
Total investments	<u>\$ 3,371,722</u>	<u>\$ 564,483</u>	<u>\$ -</u>	<u>\$ 3,936,205</u>

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4. INVESTMENTS (Continued)

<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>\$ 3,427,768</u>	<u>\$ 172,503</u>	<u>\$ -</u>	<u>\$ 3,600,271</u>

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

	<u>2022</u>	<u>2021</u>
Realized gain	\$ 231,389	\$ 142,201
Interest and dividends	51,837	68,236
Investment fees	(26,552)	(30,659)
Unrealized gain (loss)	<u>(861,266)</u>	<u>320,462</u>
Investment return, net	<u>\$ (604,592)</u>	<u>\$ 500,240</u>

Investment return pertaining to net assets with donor restrictions, specifically for the Endowment, was \$(529,834) and \$458,769 for the years ended December 31, 2022 and 2021, respectively. In accordance with the Organization's spending policy (see Note 2), \$118,452 and \$102,660 were appropriated to operations during the years ended December 31, 2022 and 2021, respectively (see Note 8).

Investments, excluding U.S. government obligations (see page 15), 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, excluding U.S. government obligations (see page 15), 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.

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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:

2023	\$ -
2024	\$ 299,731
2025	\$ 403,150
2026	\$ 407,197
2027	\$ 411,284

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 (7.5% and 3.5% at December 31, 2022 and 2021, 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 was set to expire on September 1, 2022, at which time the maturity was extended to October 1, 2024. There was no outstanding balance as of December 31, 2022 and 2021. The Organization was in compliance with all covenants as of December 31, 2022.

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7. NOTES PAYABLE

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

	<u>2022</u>	<u>2021</u>
Qualified Low Income Community Investment (QLICI) notes (see page 19).	\$ 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. During 2022, the Organization made additional discretionary principal payments totaling \$275,000 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.	<u>444,242</u>	<u>783,510</u>
	12,599,242	12,938,510
Less - unamortized debt issuance costs	100,342	179,558
Less - current portion	<u>65,587</u>	<u>59,595</u>
Total long-term notes payable, net	<u>\$ 12,433,313</u>	<u>\$ 12,699,357</u>

Debt issuance costs related to the QLICI notes (see above) totaling \$554,514 are shown net of accumulated interest amortization of \$454,172 and \$374,956 as of December 31, 2022 and 2021, 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, 2022 and 2021, and is included in depreciation and amortization in the accompanying combined statements of functional expenses. Interest amortization is expected to be \$79,216 in 2023 and \$21,126 in 2024.

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

2023	\$ 65,587
2024	369,895
2025	477,049
2026	484,260
2027	583,827
Thereafter	<u>10,618,624</u>
Total	<u>\$ 12,599,242</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, 2022.

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December 31, 2022 and 2021

7. NOTES PAYABLE (Continued)

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>2022</u>	<u>2021</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.

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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, 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	2,799,710	346,210	3,145,920
Endowment - scholarship contributions	-	8,020	8,020
Investment return	(471,695)	(58,139)	(529,834)
Investment return designated for operations	<u>(105,528)</u>	<u>(12,924)</u>	<u>(118,452)</u>
Funds acting as endowment net assets, December 31, 2022	<u>\$ 2,222,487</u>	<u>\$ 283,167</u>	<u>\$ 2,505,654</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, 2022 and 2021, the Organization contributed \$101,287 and \$82,992, 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 2022 and 2021, the Organization received \$109,646 and \$66,068, 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 2022 and 2021.

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Notes to Combined Financial Statements
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11. CONDITIONAL AWARDS

Government Grants and Contracts - CARES Act

Paycheck Protection Program

During 2021, the Organization applied for, and was awarded, a loan of \$382,500 from the Paycheck Protection Program (PPP) 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 calculation was subject to review and approval by the lending bank and the Small Business Administration (SBA). During 2021, the entire balance and related interest of the loan was forgiven by the lending bank.

The loan was accounted for as a conditional grant under ASC Subtopic 958-605 (see Note 2). This grant was 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 year ended December 31, 2021, the Organization recognized the loan balance as grant revenue, which is included in government grants and contracts - CARES Act in the accompanying 2021 combined statement of activities and changes in net assets.

Employee Retention Tax Credit

The Employee Retention Tax Credit (ERTC) was first established by the CARES Act and was extended and expanded by the Consolidated Appropriations Act (CAA) and American Rescue Plan (ARP). ERTC provides a refundable tax credit against certain employment taxes equal to 50% of the first \$10,000 in qualified wages paid to each employee between March 12, 2020 and December 31, 2020 (2020 ERTC), and 70% of the first \$10,000, per quarter, in qualified wages paid to each employee between January 1, 2021 and December 31, 2021 (2021 ERTC).

The Organization qualified for the 2021 ERTC and submitted all necessary paperwork to request the funds during 2022, and therefore, accounted for the ERTC as a conditional grant under ASC Subtopic 958-605 (see Note 2). The grant was conditional upon certain performance requirements and meeting certain eligibility criteria of the Federal program. In the opinion of management, these conditions were met as of December 31, 2022, and therefore, \$486,195 of 2021 ERTC was recognized and is included in government grants and contracts - CARES Act in the accompanying 2022 combined statement of activities and changes in net assets. As of December 31, 2022, the full amount of the grant has not been received and is included in government grants and contracts receivable, net in the accompanying 2022 combined statement of financial position.

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Notes to Combined Financial Statements
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11. CONDITIONAL AWARDS (Continued)

Government Grants and Contracts - Other

During 2022 and 2021, the Organization received government, state and other 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, state grants and contracts when conditions are met. During the years ended December 31, 2022 and 2021, the Organization recognized \$588,754 and \$604,321, respectively, of government grants and contracts. Conditional promises with maximum obligations to give at December 31, 2022 and 2021, consist of cost-reimbursable and other government contracts totaling \$368,451 and \$55,601, respectively. As of December 31, 2022, \$64,105 of these funds was received by the Organization and is reflected as conditional grant advance in the accompanying 2022 combined statement of financial position as the related barrier was not achieved as of December 31, 2022.

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, 2022 and 2021, or on the combined statements of activities and changes in net assets for the years then ended.

12. 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>2022</u>	<u>2021</u>
Cash	\$ 1,988,443	\$ 3,091,142
Current portion of investments	1,012,144	-
Restricted cash	95,632	166,765
Current portion of pledges and contributions receivable	866,950	1,009,948
Government grants and contracts receivable	<u>663,266</u>	<u>385,175</u>
Total financial assets	4,626,435	4,653,030
Add - releases from donor time restrictions	626,500	319,500
Add - investment return designed for operations	122,347	117,609
Less - net assets with donor restrictions	<u>(2,251,262)</u>	<u>(2,345,639)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,124,020</u>	<u>\$ 2,744,500</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).

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Combining Statement of Financial Position
December 31, 2022

	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	\$ 531,216	\$ 1,442,812	\$ 1,974,028	\$ 14,415	\$ -	\$ 545,631	\$ 1,442,812	\$ 1,988,443
Current portion of investments	1,012,144	-	1,012,144	-	-	1,012,144	-	1,012,144
Restricted cash	-	-	-	95,632	-	95,632	-	95,632
Due from affiliate	786,776	-	786,776	-	(786,776)	-	-	-
Current portion of pledges and contributions receivable	58,500	808,450	866,950	-	-	58,500	808,450	866,950
Government grants and contracts receivable, net	663,266	-	663,266	-	-	663,266	-	663,266
Prepaid expenses	54,967	-	54,967	-	-	54,967	-	54,967
Total current assets	<u>3,106,869</u>	<u>2,251,262</u>	<u>5,358,131</u>	<u>110,047</u>	<u>(786,776)</u>	<u>2,430,140</u>	<u>2,251,262</u>	<u>4,681,402</u>
Other Assets:								
Pledges and contributions receivable, net	-	1,008,078	1,008,078	-	-	-	1,008,078	1,008,078
Deferred rent receivable	-	-	-	1,714,095	(1,714,095)	-	-	-
Investments, net	418,403	2,505,658	2,924,061	-	-	418,403	2,505,658	2,924,061
Note receivable	8,210,000	-	8,210,000	-	-	8,210,000	-	8,210,000
Property and equipment, net	312,069	-	312,069	11,043,633	-	11,355,702	-	11,355,702
Total other assets	<u>8,940,472</u>	<u>3,513,736</u>	<u>12,454,208</u>	<u>12,757,728</u>	<u>(1,714,095)</u>	<u>19,984,105</u>	<u>3,513,736</u>	<u>23,497,841</u>
Total assets	<u>\$ 12,047,341</u>	<u>\$ 5,764,998</u>	<u>\$ 17,812,339</u>	<u>\$ 12,867,775</u>	<u>\$ (2,500,871)</u>	<u>\$ 22,414,245</u>	<u>\$ 5,764,998</u>	<u>\$ 28,179,243</u>
Liabilities and Net Assets								
Current Liabilities:								
Current portion of notes payable	\$ -	\$ -	\$ -	\$ 65,587	\$ -	\$ 65,587	\$ -	\$ 65,587
Due to affiliate	-	-	-	786,776	(786,776)	-	-	-
Accounts payable and accrued expenses	268,786	-	268,786	-	-	268,786	-	268,786
Conditional grant advance	64,105	-	64,105	-	-	64,105	-	64,105
Total current liabilities	<u>332,891</u>	<u>-</u>	<u>332,891</u>	<u>852,363</u>	<u>(786,776)</u>	<u>398,478</u>	<u>-</u>	<u>398,478</u>
Deferred Rent Payable	1,714,095	-	1,714,095	-	(1,714,095)	-	-	-
Notes Payable, net	-	-	-	12,433,313	-	12,433,313	-	12,433,313
Total liabilities	<u>2,046,986</u>	<u>-</u>	<u>2,046,986</u>	<u>13,285,676</u>	<u>(2,500,871)</u>	<u>12,831,791</u>	<u>-</u>	<u>12,831,791</u>
Net Assets:								
Without donor restrictions:								
Operating	945,675	-	945,675	-	-	945,675	-	945,675
Real estate	7,594,750	-	7,594,750	(417,901)	-	7,176,849	-	7,176,849
Board designated:								
Operating reserve	763,564	-	763,564	-	-	763,564	-	763,564
Racial equity fund	130,343	-	130,343	-	-	130,343	-	130,343
Capital reserve	566,023	-	566,023	-	-	566,023	-	566,023
Total without donor restrictions	<u>10,000,355</u>	<u>-</u>	<u>10,000,355</u>	<u>(417,901)</u>	<u>-</u>	<u>9,582,454</u>	<u>-</u>	<u>9,582,454</u>
With donor restrictions:								
Purpose restricted	-	2,154,885	2,154,885	-	-	-	2,154,885	2,154,885
Time restricted	-	626,500	626,500	-	-	-	626,500	626,500
Comprehensive campaign	-	477,959	477,959	-	-	-	477,959	477,959
Funds acting as endowment - general	-	2,222,487	2,222,487	-	-	-	2,222,487	2,222,487
Funds acting as endowment - scholarship	-	283,167	283,167	-	-	-	283,167	283,167
Total with donor restrictions	<u>-</u>	<u>5,764,998</u>	<u>5,764,998</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,764,998</u>	<u>5,764,998</u>
Total net assets	<u>10,000,355</u>	<u>5,764,998</u>	<u>15,765,353</u>	<u>(417,901)</u>	<u>-</u>	<u>9,582,454</u>	<u>5,764,998</u>	<u>15,347,452</u>
Total liabilities and net assets	<u>\$ 12,047,341</u>	<u>\$ 5,764,998</u>	<u>\$ 17,812,339</u>	<u>\$ 12,867,775</u>	<u>\$ (2,500,871)</u>	<u>\$ 22,414,245</u>	<u>\$ 5,764,998</u>	<u>\$ 28,179,243</u>

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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, net	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.
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Combining Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2022

	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	\$ 847,370	\$ 1,681,600	\$ 2,528,970	\$ -	\$ -	\$ 847,370	\$ 1,681,600	\$ 2,528,970
Individual donations	582,099	402,441	984,540	-	-	582,099	402,441	984,540
Government grants and contracts - other	588,754	-	588,754	-	-	588,754	-	588,754
Special events revenue	533,472	10,000	543,472	-	-	533,472	10,000	543,472
Government grants and contracts - CARES Act	486,195	-	486,195	-	-	486,195	-	486,195
Contributed non-financial assets	131,267	-	131,267	-	-	131,267	-	131,267
Investment return designated for operations	118,452	-	118,452	-	-	118,452	-	118,452
Interest and other revenue	85,788	-	85,788	561,229	(560,862)	86,155	-	86,155
Comprehensive campaign contributions designated for operations	73,864	-	73,864	-	-	73,864	-	73,864
Net assets released from time restrictions - special events and other	232,500	(232,500)	-	-	-	232,500	(232,500)	-
Net assets released from purpose restrictions	1,268,522	(1,268,522)	-	-	-	1,268,522	(1,268,522)	-
Total operating revenues	4,948,283	593,019	5,541,302	561,229	(560,862)	4,948,650	593,019	5,541,669
Operating Expenses:								
Program services	4,229,107	-	4,229,107	153,588	(548,862)	3,833,833	-	3,833,833
General and administrative	213,059	-	213,059	32,901	(6,000)	239,960	-	239,960
Fundraising	560,688	-	560,688	4,902	(6,000)	559,590	-	559,590
Total operating expenses before depreciation and amortization	5,002,854	-	5,002,854	191,391	(560,862)	4,633,383	-	4,633,383
Changes in net assets from operations before depreciation and amortization	(54,571)	593,019	538,448	369,838	-	315,267	593,019	908,286
Depreciation and amortization	37,145	-	37,145	448,236	-	485,381	-	485,381
Total operating expenses	5,039,999	-	5,039,999	639,627	(560,862)	5,118,764	-	5,118,764
Changes in net assets from operations	(91,716)	593,019	501,303	(78,398)	-	(170,114)	593,019	422,905
Other Revenues (Expenses):								
Comprehensive campaign contributions	29,954	242,800	272,754	-	-	29,954	242,800	272,754
Capital grants	15,232	-	15,232	-	-	15,232	-	15,232
Endowment - scholarship contributions	-	8,020	8,020	-	-	-	8,020	8,020
Comprehensive campaign contributions designated for operations	(73,864)	-	(73,864)	-	-	(73,864)	-	(73,864)
Investment return designated for operations	-	(118,452)	(118,452)	-	-	-	(118,452)	(118,452)
Investment return, net	(74,758)	(529,834)	(604,592)	-	-	(74,758)	(529,834)	(604,592)
Net assets released from comprehensive campaign	244,114	(244,114)	-	-	-	244,114	(244,114)	-
Total other revenues (expenses)	140,678	(641,580)	(500,902)	-	-	140,678	(641,580)	(500,902)
Changes in net assets	48,962	(48,561)	401	(78,398)	-	(29,436)	(48,561)	(77,997)
Net Assets:								
Beginning of year	9,951,393	5,813,559	15,764,952	(339,503)	-	9,611,890	5,813,559	15,425,449
End of year	\$ 10,000,355	\$ 5,764,998	\$ 15,765,353	\$ (417,901)	\$ -	\$ 9,582,454	\$ 5,764,998	\$ 15,347,452

**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
Individual donations	505,777	54,940	560,717	-	-	505,777	54,940	560,717
Government grants and contracts - other	513,240	91,081	604,321	-	-	513,240	91,081	604,321
Special events revenue	532,401	182,500	714,901	-	-	532,401	182,500	714,901
Government grants and contracts - CARES Act	382,500	-	382,500	-	-	382,500	-	382,500
Contributed non-financial assets	38,523	-	38,523	-	-	38,523	-	38,523
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
Net assets released from time restrictions - special events and other	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	4,464,194	404,631	4,868,825	560,890	(560,862)	4,464,222	404,631	4,868,853
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	4,365,488	-	4,365,488	226,744	(560,862)	4,031,370	-	4,031,370
Changes in net assets from operations before depreciation and amortization	98,706	404,631	503,337	334,146	-	432,852	404,631	837,483
Depreciation and amortization	22,818	-	22,818	447,760	-	470,578	-	470,578
Total operating expenses	4,388,306	-	4,388,306	674,504	(560,862)	4,501,948	-	4,501,948
Changes in net assets from operations	75,888	404,631	480,519	(113,614)	-	(37,726)	404,631	366,905
Other Revenues (Expenses):								
Comprehensive campaign contributions	25,000	8,847	33,847	-	-	25,000	8,847	33,847
Capital grants	190,973	-	190,973	-	-	190,973	-	190,973
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)
Investment return, net	41,471	458,769	500,240	-	-	41,471	458,769	500,240
Net assets released from comprehensive campaign	232,000	(232,000)	-	-	-	232,000	(232,000)	-
Total other revenues (expenses)	414,444	137,706	552,150	-	-	414,444	137,706	552,150
Changes in net assets	490,332	542,337	1,032,669	(113,614)	-	376,718	542,337	919,055
Net Assets:								
Beginning of year	9,461,061	5,271,222	14,732,283	(225,889)	-	9,235,172	5,271,222	14,506,394
End of year	\$ 9,951,393	\$ 5,813,559	\$ 15,764,952	\$ (339,503)	\$ -	\$ 9,611,890	\$ 5,813,559	\$ 15,425,449