

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2015

**R.E. Janosko & Associates, LLC
11215 Spring Hill Dr.
Spring Hill, FL 34609**

R. E. JANOSKO & ASSOCIATES, LLC

Certified Public Accountants

- Tax Work
- Financial Management
- Accounting

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Boys and Girls Club of Hernando County, Inc.

We have audited the accompanying statement of financial position of The Boys and Girls Club of Hernando County, Inc. (a nonprofit organization) as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Boys and Girls Club of Hernando County, Inc. as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America..



R.E. Janosko & Associates, LLC

Spring Hill, Florida
December 23, 2015

11215 Spring Hill Dr.
Spring Hill, FL 34609
(352) 610-4321

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2015

	<u>2015</u>
ASSETS	
CURRENT ASSETS	
Cash - Unrestricted	\$ 148,008
Cash - Restricted	-
Accounts Receivable	69,627
Other Current Assets	<u>20,527</u>
TOTAL CURRENT ASSETS	238,162
FIXED ASSETS	
Buildings	81,293
Furniture, Fixtures & Equipment	135,793
Total Fixed Assets	<u>217,087</u>
Depreciation, Accumulated	<u>(73,880)</u>
NET FIXED ASSETS	<u>143,207</u>
OTHER ASSETS	
Prepaid Insurance	191
Prepaid Expenses	<u>500</u>
TOTAL OTHER ASSETS	<u>691</u>
TOTAL ASSETS	<u><u>\$ 382,061</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable	11,063
Accrued Payroll	7,239
Accrued Payroll Tax Liabilities	10,840
Accrued Simple 401K Deductions	1,604
Grants Paid In Advance	<u>17,319</u>
TOTAL CURRENT LIABILITIES	<u>48,065</u>
NET ASSETS	
Unrestricted	333,996
Restricted	<u>-</u>
TOTAL NET ASSETS	<u>333,996</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 382,061</u></u>

(See Accompanying Notes)

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2015

	<u>2015</u>
UNRESTRICTED NET ASSETS INCOME	
SUPPORT	
Bequests and Legacies	298
Non Governmental Grants	1,875
Governmental Grants	135,606
Contributions - Corporate & Business	24,417
Restricted Contributions - Corporate & Business Darden	5,420
Individual Contributions	1,605
Total Support	<u>168,923</u>
Registration Fees	
Before & After School Care	343,862
Preschool/Daycare	213,130
Summer Program	81,088
Spring and Winter Break	7,273
ELC Program Fees	291,076
KCI program funding	51,085
Professional Days	2,631
Sports Program	-
Event Income	-
Total Registration Fees	<u>990,145</u>
Foundation	
Boys & Girls Clubs of America	4,500
Total Foundation Revenue	<u>4,500</u>
Revenue From Other Sources	
Fundraising	9,504
Gift Card Revenue	77
Concession Stand/Vending Machine	4,464
Other Income	0
Total Revenue From Other Sources	<u>14,045</u>
Revenue From Investments	
Interest Earnings	368
Total Revenue From Investments	<u>368</u>

(See Accompanying Notes)

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2015

Total Revenue	<u>1,009,057</u>
TOTAL UNRESTRICTED NET ASSETS INCOME	1,177,980
EXPENDITURES	
Program Services	
Youth Health, Education and Recreation	941,816
Support Services	
Management and General	233,830
Fundraising	<u>1,961</u>
TOTAL EXPENDITURES	1,177,608
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	372
TEMPORARILY RESTRICTED NET ASSETS	-
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	<u>-</u>
INCREASE (DECREASE) IN NET ASSETS	372
NET ASSETS, BEGINNING OF YEAR	<u>333,624</u>
NET ASSETS, END OF YEAR	<u><u>333,996</u></u>

(See Accompanying Notes)

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES FOR THE PROGRAM AND SUPPORT SERVICES
FOR THE YEAR ENDED JUNE 30, 2015

	Program Services		Support Services	
	Youth Health, Education, Recreation	Management & General	Fundraising	Total
EXPENDITURES				
Accounting Fees	-	4,000		4,000
Advertising	1,956			1,956
Auto	9,028			9,028
Background Fingerprint Checks	4,995	397		5,392
Bank Service Charges	180	1,996		2,176
Computers & Repairs	2,651	1,188		3,839
Conferences and Meetings	42	1,380		1,422
Dues & Subscriptions	8,834			8,834
Employee Insurance	24,649			24,649
Finance Charges/ Late Fees/Penalties	75			75
Fundraising Direct Expenses	-		1,961	1,961
Gifts	1,230	3,931		5,160
Insurance	(0)	14,384		14,384
Legal Fees	-	9,015		9,015
Marketing & Publishing	1,269			1,269
Meals & Entertainment	1,559	2,621		4,180
Office Supplies	9,608	10,812		20,420
Officer Compensation	0	51,023		51,023
Other Salaries	651,561	101,911		753,472
Organizational Expenses	(0)	431		431
Payroll Taxes	40,776	26,357		67,133
Postage and Shipping	326	87		413
Printing and Reproduction	6,992			6,992
Program Expenses: Arts & Crafts	33,653			33,653
Program Expenses: Field Trips	1,745			1,745
Program Expenses: Food & Beverage	5,067			5,067
Program Expenses: Games, Movies, etc.	6,521			6,521
Program Expenses: School Attendance Reimbursement	11,687			11,687
Program Expense: Professional Days	32,592			32,592
Program Expense: Bus Fuel	2,147			2,147
Repairs and Maintenance	20,915	150		21,065
Retirement Benefits	8,963			8,963
Staff Training/Schooling	11,431	940		12,371
Sponsorships	475			475
Taxes and Fees	955			955
Telephone and Telecommunication	4,649	3,208		7,857
Travel and Lodging	332			332
Uniforms	4,191			4,191
Workers' Compensation	12,726			12,726
Rent, parking, other occupancy	2,148			2,148
TOTAL EXPENDITURES BEFORE DEPRECIATION	925,926	233,830	1,961	1,161,718
Depreciation	15,890			15,890
TOTAL EXPENDITURES	941,816	233,830	1,961	\$ 1,177,608
PERCENTAGE OF TOTAL EXPENDITURES	80.0%	19.9%	0.2%	100.0%

(see Accompanying Notes)

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets	372
Provided by Operating Activities	
Depreciation	15,890
(Increase) Decrease in Accounts Receivable	26,742
Increase (Decrease) in Accounts Payable	10,633
(Increase) Decrease in Other Current Assets	1,883
Increase (Decrease) in Other Current Liabilities	(16,474)
(Increase) Decrease in Other Assets	5,629
(Increase) Decrease in Fixed Assets	<u>(49,574)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	(5,271)
CASH FLOWS FROM INVESTING ACTIVITIES	-
CASH FLOWS FROM FINANCING ACTIVITIES	-
NET INCREASE IN CASH	<u>(4,899)</u>
CASH AT BEGINNING OF YEAR	<u>152,907</u>
CASH AT END OF YEAR	<u>148,008</u>

(See Accompanying Notes)

NOTES TO THE FINANCIAL STATEMENTS

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE A – Nature of operations and summary of significant accounting policies

The following is a summary of significant accounting policies followed in the preparation of these financial statements. The policies conform to generally accepted accounting principles applicable to voluntary health and welfare organizations and have been consistently applied.

Nature of operations

The Boys and Girls Club of Hernando County, Inc. is a not-for-profit corporation organized to provide behavioral guidance and to promote the health, social, educational, vocational and character development of boys and girls in Hernando County, Florida.

Summary of significant accounting policies

A description follows of significant accounting policies of the organization.

Basis of accounting: The financial statements are prepared on the accrual basis.

Basis of presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Statement of Financial Accounting Standards (SFAS) No 117, *Financial Statements of Not-for-Profit Organizations*. Under those provisions, net assets and revenues, gains and losses are classified based on the existence of absence of donor-imposed restrictions as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations or that expire by the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of such assets permit the Organization to use all or part of the income earned on the assets.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses: The costs of providing the various programs have been summarized on a functional basis in the statements of activities and the statement of functional expenses. Certain management and general costs have been allocated among the programs and supporting services.

Cash: The organization considers all cash and investments with maturities of less than three months to be cash equivalents.

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

Notes to the Financial Statements
For the Year Ended June 30, 2015

Accounts Receivable: Accounts receivable consists of the before and after school program and summer camp fees due. Accounts receivable reported of \$ represents billings the organization realistically expects to collect. Therefore, no expense for bad debt has been recognized.

Income Taxes: The Boys and Girls Club of Hernando County, Inc. is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except for income derived from unrelated business activities. For the year ended June 30, 2015 the Boys and Girls Club has determined that no income taxes are due for its activities.

Fixed Assets: Fixed assets are capitalized and recorded at cost for purchased items and at fair market value at the time of receipt for donated items. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs are charged to expense as incurred. The cost and accumulated depreciation of fixed assets sold or retired is removed from the related asset and accumulated depreciation accounts and any resulting gain or loss is recorded in the year of disposal.

Other Current Assets: The amount reported of \$ consists of \$19,162 due from a former employee who is under a payment restitution plan and \$1,337 in employee advances. The former employee is to pay \$87.41 per month until her debt is satisfied.

Advertising: Advertising costs are expensed as incurred.

Tax status: The organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and currently engages in no activities which are considered to be subject to unrelated business income taxes.

NOTE B – Basic programs

The following are components of the organization's youth, health, education and recreation program provided to members:

Physical education: Provides gym activities, league sports, and physical fitness for members.

Social recreation: Provides game room activities, including board games, arts and crafts, contests and special events for members.

Individual services: Provides formal guidance and counseling, juvenile justice projects, community activities, career and educational programs for members.

Cultural enrichment: Provides services in arts and crafts, music, drama, and library services.

BOYS AND GIRLS CLUB OF HERNANDO COUNTY, INC.

Notes to the Financial Statements
For the Year Ended June 30, 2015

NOTE C – Fixed assets

Depreciation expense totaled \$ for the year ended June 30, 2015. Fixed assets consisted of the following at June 30, 2015:

	Estimated Life <u>In Years</u>	<u>2015</u>
Buildings	15	\$ 81,293
Computers and Furnishings	5 to 7	135,793
Fixed Assets at Cost		217,087
Less Accumulated Depreciation		<u>(73,880)</u>
Net Fixed Assets		<u>\$143,207</u>

NOTE D – Retirement Benefits

The organization instituted a Simple IRA Retirement plan in May of 2009. The administrator of the retirement plan is Modern Woodman of America. The organization contributes up to three percent of gross wages for all eligible employees who have elected to participate.

NOTE E – Temporarily restricted net assets

There are no temporarily restricted assets as of June 30, 2015.

NOTE F – Contingencies

Management is not aware of any contingent liabilities or lawsuits against the organization and therefore has not made any such provision for such a cost in the financial statements.