

**BOYS AND GIRLS CLUBS
OF LOWER BERGEN COUNTY, INC.**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.

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WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-6631
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Boys and Girls Clubs of Lower Bergen County, Inc.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Boys and Girls Clubs of Lower Bergen County, Inc. (the "Club") a nonprofit organization, which comprise the statement of financial position as of as of December 31, 2024 and 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. Our responsibility is to express an opinion on the financial statements based on our audit.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Boys and Girls Clubs of Lower Bergen County, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Boys and Girls Clubs of Lower Bergen County, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Management's Responsibility for the Financial Statements

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Boys and Girls Clubs of Lower Bergen County, Inc.'s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility

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

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

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



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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2025, on our consideration of the Boys and Girls Clubs of Lower Bergen County, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Boys and Girls Clubs of Lower Bergen County, Inc.'s internal control over financial reporting and compliance.



WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

April 30, 2025



BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
COMPARATIVE STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Current Assets:		
Cash and Cash Equivalents	\$ 479,198	\$ 500,139
Accounts Receivable	2,880	19,366
Grants Receivable	155,303	87,555
Other Assets	16,060	16,060
	653,441	623,120
Capital Assets:		
Property and Equipment (Net Accumulated of Depreciation)	3,321,761	3,298,248
Total Assets	\$ 3,975,202	\$ 3,921,368
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 117,764	\$ 94,427
Mortgage, Credit Line, Notes, Loans Payable	115,121	50,741
Other Liabilities	50,632	53,811
	283,517	198,979
Long-Term Liabilities:		
Mortgage, Credit Line, Notes, Loans Payable	1,925,212	2,011,281
Total Liabilities	\$ 2,208,729	\$ 2,210,260
Net Assets:		
With Donor Restrictions		
Scholarship Reserve	20,500	13,000
Without Donor Restrictions		
Designated for Building Projects		38,246
Undesignated	1,745,973	1,659,862
	1,766,473	1,711,108
Total Net Assets	\$ 1,766,473	\$ 1,711,108
Total Liabilities and Net Assets	\$ 3,975,202	\$ 3,921,368

See accompanying notes to financial statements.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
COMPARATIVE STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED

	December 31, 2024		
	Without Donor Restriction	With Donor Restriction	Total
Public Support			
Individual Contributions	\$ 41,141	5,000	46,141
Corporate Contributions	15,800		15,800
Foundation Contributions	166,350	2,500	168,850
Government Grants		810,512	810,512
In-Kind Donations	190,147		190,147
Total Public Support	<u>413,438</u>	<u>818,012</u>	<u>1,231,450</u>
Revenues			
Member Dues	19,337		19,337
Programs	1,918,848		1,918,848
Fundraising	1,863,536		1,863,536
Facility Rental	529,345		529,345
Insurance Proceeds	4,369		4,369
Investment Income	4,961		4,961
Miscellaneous	15,747		15,747
Total Revenues	<u>4,356,143</u>	<u>-</u>	<u>4,356,143</u>
Net Assets Released from Restrictions	<u>810,512</u>	<u>(810,512)</u>	<u>-</u>
Total Public Support and Revenues	<u>5,580,093</u>	<u>7,500</u>	<u>5,587,593</u>
Functional Expenses:			
Program Services:			
21st Century Program	434,828		434,828
Hackensack Program	165,800		165,800
Hackensack Middle School	305,188		305,188
Lodi Program	1,222,062		1,222,062
Other Programs	292,071		292,071
Total Program Services	<u>2,419,949</u>	<u>-</u>	<u>2,419,949</u>
Supporting Services:			
Management and General	1,579,488		1,579,488
Fundraising	1,532,791		1,532,791
Total Supporting Services	<u>3,112,279</u>	<u>-</u>	<u>3,112,279</u>
Total Functional Expenses	<u>5,532,228</u>	<u>-</u>	<u>5,532,228</u>
Changes in Net Assets	47,865	7,500	55,365
Net Assets, January 1,	\$ <u>1,698,108</u>	<u>13,000</u>	<u>1,711,108</u>
Net Assets, December 31,	\$ <u><u>1,745,973</u></u>	<u><u>20,500</u></u>	<u><u>1,766,473</u></u>

See accompanying notes to financial statements.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
COMPARATIVE STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED

	December 31, 2023		
	Without Donor Restriction	With Donor Restriction	Total
Public Support			
Individual Contributions	\$ 39,217	5,000	44,217
Corporate Contributions	5,450		5,450
Foundation Contributions	208,188		208,188
Government Grants		1,090,838	1,090,838
In-Kind Donations	16,645		16,645
Total Public Support	<u>269,500</u>	<u>1,095,838</u>	<u>1,365,338</u>
Revenues			
Member Dues	18,620		18,620
Programs	1,562,568		1,562,568
Fundraising	1,984,876		1,984,876
Facility Rental	536,210		536,210
Insurance Proceeds	26,692		26,692
Investment Income	3,574		3,574
Miscellaneous	7,172		7,172
Total Revenues	<u>4,139,712</u>	<u>-</u>	<u>4,139,712</u>
Net Assets Released from Restrictions	<u>1,090,838</u>	<u>(1,090,838)</u>	<u>-</u>
Total Public Support and Revenues	<u>5,500,050</u>	<u>5,000</u>	<u>5,505,050</u>
Functional Expenses:			
Program Services:			
21st Century Program	531,938		531,938
Hackensack Program	229,220		229,220
Hackensack Middle School	266,949		266,949
Lodi Program	1,162,103		1,162,103
Other Programs	270,431		270,431
Total Program Services	<u>2,460,641</u>	<u>-</u>	<u>2,460,641</u>
Supporting Services:			
Management and General	1,516,738	2,500	1,519,238
Fundraising	1,571,234		1,571,234
Total Supporting Services	<u>3,087,972</u>	<u>2,500</u>	<u>3,090,472</u>
Total Functional Expenses	<u>5,548,613</u>	<u>2,500</u>	<u>5,551,113</u>
Changes in Net Assets	(48,563)	2,500	(46,063)
Net Assets, January 1,	<u>\$ 1,746,671</u>	<u>10,500</u>	<u>1,757,171</u>
Net Assets, December 31,	<u>\$ 1,698,108</u>	<u>13,000</u>	<u>1,711,108</u>

See accompanying notes to financial statements.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities:		
Change in Net Assets	\$ 55,365	\$ (46,063)
Adjustments to Reconcile Cash in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization Expense	394,295	378,229
(Increase) Decrease in:		
Accounts Receivable	16,486	11,681
Grants Receivable	(67,748)	113,767
Increase (Decrease) Liabilities:		
Accounts Payable and Accrued Expenses	23,337	(83,059)
Other Liabilities	(3,179)	(3,756)
Net Cash Provided (Used) by Operating Activities	<u>418,556</u>	<u>370,799</u>
Cash Flows From Investing Activities:		
Purchase of Property, Plant, and Equipment	(417,808)	(692,703)
Net Cash Provided (Used) by Investing Activities	<u>(417,808)</u>	<u>(692,703)</u>
Cash Flows From Financing Activities:		
Repayment of Debt	(21,689)	26,991
Net Cash Provided (Used) by Financing Activities	<u>(21,689)</u>	<u>26,991</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(20,941)	(294,913)
Cash and Cash Equivalents, Beginning of Year	\$ <u>500,139</u>	\$ <u>795,052</u>
Cash and Cash Equivalents, End of Year	\$ <u><u>479,198</u></u>	\$ <u><u>500,139</u></u>
Supplemental Disclosures of Cash Flows Information:		
In-Kind Contributions	\$ 190,147	\$ 16,645
Interest Paid	96,120	112,439

See accompanying notes to financial statements.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Boys and Girls Clubs of Lower Bergen County, Inc. (the "Club") is presented to assist in understanding the Club's financial statements. The financial statements and notes are representations of the Club's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (generally accepted accounting principles) and have been consistently applied in the preparation of the financial statements.

Nature of Activities

The Club is a non-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Club is a youth service organization dedicated to enable all young people to reach their full potential as productive, caring, responsible citizens through 3 core areas: academic success; good character and citizenship; healthy lifestyles.

Through the programs that are offered, the Club tries to provide the members with a sense of belonging, a sense of usefulness, a sense of influence and a sense of competence.

Basis of Presentation

The Club's policy is to prepare its financial statements using the accrual basis of accounting.

The Club has adopted the provisions of Financial Accounting Standards Board's ASC 958:205, "Presentation of Financial Statements of Not-for profit Organizations," which established standards for external financial reporting of not-for-profit organizations. These provisions require that a complete set of financial statements for a not-for-profit organization should include a *statement of financial position* as of the end of the reporting period, a *statement of activities* and a *statement of cash flows* for the reporting period, and accompanying notes to the financial statements, as described below.

Statement of Financial Position

The primary purpose of the statement of financial position is to provide relevant information about the Club's assets, liabilities, and net assets, and about their relationships to each other at a moment in time. The information provided in the statement of financial position, used with related disclosures and information in other financial statements, helps donors, members, creditors and others assess (a) the Club's ability to continue to provide services and (b) the Club's liquidity, financial flexibility, ability to meet obligations, and needs for external financing.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Presentation, (continued)

Statement of Financial Position, (continued)

The Club adopted the Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which improved the current net asset classification requirements and the information presented in financial statements and notes about financial statements. Under these guidelines, net assets are now classified into the following two categories:

With Donor Restrictions – Net assets with donor restrictions are the part of net assets that are subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants). Net assets with donor restrictions are comprised of scholarship funds. The Club had \$20,500 and \$13,000 in donor restricted net assets at December 31, 2024 and 2023, respectively.

Without Donor Restrictions – Net assets without donor restrictions are the part of net assets that are not subject to restrictions (donors include other types of contributors, including makers of certain grants).

Under FASB's ASU 2016-14, a Not-for-Profit entity can also choose to further disaggregate the two net asset classes. The Club has elected to separate net assets without donor restrictions into the following two categories:

Board Designated Net Assets – Net assets without donor restrictions subject to self-imposed limits by action of the governing board. Board-designated assets may be earmarked for future programs. Investment, contingencies, purchase of construction fixed assets or other uses. The Club had \$-0- and \$38,246 in board designated net assets at December 31, 2024 and 2023, respectively. The Club had the following board designated net assets at December 31, 2024:

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Presentation, (continued)

Statement of Financial Position, (continued)

Undesignated Net Assets – Net assets without donor or self-imposed limits by actions of the governing board. The Club had \$1,745,973 and \$1,659,862 in undesignated net assets at December 31, 2024 and 2023, respectively.

Statement of Activities

The primary purpose of a statement of activities is to provide relevant information about (a) the effects of transactions and other events and circumstances that change the amount and nature of net assets, (b) the relationships of those transactions and other events and circumstances to each other, and (c) how the Club's resources are used in providing various programs and services. The information in statement of activities, used with related disclosures and information in the other financial statements, helps donors, creditors, and other to (1) evaluate the Club's service efforts and ability to continue to provide services, and (2) how an Club's managers have discharged their stewardship responsibilities and other aspects of their performance.

Statement of Cash Flows

The primary purpose of the statement of cash flows is to provide relevant information about the cash receipts and cash payments of an organization during a period.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Basis of Presentation, (continued)

Revenue Recognition

Revenues are recognized in the year that they are earned by the Club. Funds received that have not been earned as of the balance sheet dates are reflected as deferred revenue.

On July 1, 2020, the Organization adopted ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), and accounting pronouncement issued by the FASB, as well as subsequently issued clarifying ASUs, which clarifies guidance on revenue recognition. This guidance includes the required steps to achieve the core principle that a company should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The Organization adopted this pronouncement on a modified retrospective basis for all ongoing customer contracts. The results of operations for the reported period amounts are not adjusted and continue to be reported in accordance with historical accounting guidance. The adoption of this pronouncement had no impact on net assets and results of operations but resulted in required additional disclosures. ASC 606 does not apply to all revenue recognized by the Organization.

Functional Allocation of Expenses

Expenses incurred to directly carry out program activities are allocated to the applicable programs on a specific identification basis. Certain other indirect expenses are allocated to the programs based upon estimates prepared by management.

Therefore, these expenses require allocation on a reasonable basis that is consistently applied.

Salaries, payroll taxes, and employee benefits are allocated on the basis of time and effort.

Income Taxes

The Club qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The Club is also exempt under Title 15 of the State of New Jersey, Corporations and Association Not-For-Profit Act. Accordingly, no provision for federal and state income taxes has been presented in the accompanying financial statements.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Income Taxes, (continued)

The Club’s accounting policies require compliance with FASB interpretation No 48 “Accounting for Uncertainty in Income Taxes”. During the year, the Club regularly monitors transactions for potential exposure of an unrelated business income tax liability. As of December 31, 2024, the Club identified no transactions that would qualify as unrelated business income under FASB Interpretation No. 48.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The Club made estimates for the useful life of depreciable assets during the fiscal year. Accordingly, actual results could differ from those estimates.

In-Kind Donations

In September 2020, the FASB issued ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The standard requires nonprofits to expand their financial statement presentation and disclosure of contributed nonfinancial assets, including in-kind contributions. The standard includes disclosure of information on an entities policies on contributed nonfinancial assets about monetization and utilization during the reporting period, information on donor-imposed restrictions, and valuation techniques.

The Club receives donated goods and services from a variety of unpaid volunteers and organizations assisting the Club in providing various youth development programs. The value of the services provided are estimated at the cost the Club would have incurred if the services were not provided. Goods donated are valued at their approximate fair market value. This amount is recorded as a contribution and expense in the Statement of Activities. The following have been recognized as in-kind contributions are related expenses:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Donated Services	\$ -0-	\$16,645
Donated Goods	<u>190,147</u>	<u>-0-</u>
	<u>\$190,147</u>	<u>\$16,645</u>

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Compensated Absences

The Club's policy is to track compensated absences for management purposes only. Sick leave not used in any calendar year shall accumulate year to year to be used if and when needed for such purpose. An employee can accrue a maximum of 20 days at a time. The employee shall not be reimbursed for accrued sick leave at the time of employment termination, unless stated otherwise in an employment contract.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable consists primarily of program fees and facility rentals related to the fiscal year that have not been collected as of the statement of financial position date. The Club had \$2,880 and \$19,366 in accounts receivable at December 31, 2024 and 2023, respectively.

The Club reviews all outstanding accounts with customers and members and determines collectability based on past experience. Management has determined that an allowance for doubtful accounts is not needed at this time.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments including certificates of deposits. The carrying value of cash and cash equivalents approximates fair market value because of the short-term maturity of those financial instruments.

Custodial Credit Risk

Custodial Credit Risk is the risk that in the event of a bank failure, the Club's deposits may not be returned. To minimize the risk, the Club has deposited cash into bank accounts insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000. At December 31, 2024 and 2023, \$83,153 and \$85,937, respectively, of the Club's bank balance was exposed to custodial risk.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Property and Equipment

Property and equipment are stated at cost. The Club's policy is to capitalize and depreciate property and equipment expenditures if they are considered to be significant in nature and amount. Currently this threshold is set at \$1,000 per single item. Depreciation charges with respect to property and equipment have been made by the Club utilizing the straight-line method (1/2 year convention) over the estimated useful lives of the assets. Estimated useful lives are generally five to seven years for furniture and equipment, five to ten for transportation equipment and ten to thirty-nine for buildings and improvements.

NOTE 2 - CASH AND CASH EQUIVALENTS

The following comprises cash and cash equivalents at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Unrestricted	\$475,658	\$458,353
Board Designated	-0-	38,246
Petty Cash	440	440
Cash on Hand	<u>3,100</u>	<u>3,100</u>
	<u>\$479,198</u>	<u>\$500,139</u>

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BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 3 - CAPITAL ASSETS

A summary of capital assets at December 31, 2024 and 2023 is as follows:

	December 31, <u>2023</u>	<u>Additions</u>	<u>Deletions</u>	December 31, <u>2024</u>
Land	75,532			75,532
Building - Lodi	4,177,699	111,875		4,289,574
Building - Hackensack	39,216	2,850		42,066
Furniture & Fixtures - Lodi	481,360	246,260		727,620
Furniture & Fixtures - Administration	16,778	2,547		19,325
Furniture & Fixtures - 21st Century	23,897			23,897
Furniture & Fixtures - Hackensack	38,650	1,241		39,891
Furniture & Fixtures - CAAP	2,437			2,437
Transportation - Hackensack	96,851			96,851
Transportation - Lodi	306,130			306,130
Pool	107,302	53,035		160,337
Flood Loss - Replacement	566,866			566,866
Hurricane Irene Damages	<u>1,278,864</u>			<u>1,278,864</u>
	<u>7,211,582</u>	<u>417,808</u>	<u>-</u>	<u>7,629,390</u>
<i>Accumulated Depreciation:</i>				
Building - Lodi	(2,188,915)	(209,826)		(2,398,741)
Building - Hackensack	(8,929)	(8,413)		(17,342)
Furniture & Fixtures - Lodi	(337,212)	(56,616)		(393,828)
Furniture & Fixtures - Administration	(13,607)	(1,618)		(15,225)
Furniture & Fixtures - 21st Century	(13,216)	(4,023)		(17,397)
Furniture & Fixtures - Hackensack	(12,216)	(6,833)		(19,049)
Furniture & Fixtures - CAAP	(974)	(487)		(1,461)
Transportation - Hackensack	(96,851)			(96,851)
Transportation - Lodi	(36,207)	(36,207)		(72,414)
Pool	(52,660)	(19,117)		(71,777)
Flood Loss - Replacement	(566,866)			(566,866)
Hurricane Irene Damages	<u>(585,253)</u>	<u>(51,155)</u>		<u>(636,678)</u>
	<u>(3,913,334)</u>	<u>(394,295)</u>	<u>-</u>	<u>(4,307,629)</u>
	<u>\$3,298,248</u>	<u>\$23,513</u>	<u>\$-</u>	<u>\$3,321,761</u>

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 3 – CAPITAL ASSETS, (continued)

	December 31, <u>2022</u>	<u>Additions</u>	<u>Retirements</u>	December 31, <u>2023</u>
Land	75,532			7,532
Building - Lodi	3,726,129	451,270		4,177,699
Building - Hackensack	5,431	33,785		39,216
Furniture & Fixtures - Lodi	412,266	69,094		481,360
Furniture & Fixtures - Administration	16,778			16,778
Furniture & Fixtures - 21st Century	17,707	6,190		23,897
Furniture & Fixtures - Hackensack	15,311	23,339		38,650
Furniture & Fixtures - CAAP	2,437			2,437
Transportation - Hackensack	96,851			96,851
Transportation - Lodi	200,772	105,538		306,130
Pool	103,935	3,367		107,302
Flood Loss - Replacement	566,866			566,866
Hurricane Irene Damages	<u>1,278,864</u>	_____	_____	<u>1,278,864</u>
	<u>6,518,879</u>	<u>692,703</u>	_____	<u>7,211,582</u>
<i>Accumulated Depreciation:</i>				
Building - Lodi	(1,983,707)	(205,208)		(2,188,915)
Building - Hackensack	(1,086)	(7,843)		(8,929)
Furniture & Fixtures - Lodi	(294,306)	(42,906)		(337,212)
Furniture & Fixtures - Administration	(10,251)	(3,356)		(13,607)
Furniture & Fixtures - 21st Century	(8,595)	(4,779)		(13,374)
Furniture & Fixtures - Hackensack	(5,523)	(6,693)		(12,216)
Furniture & Fixtures - CAAP	(487)	(487)		(974)
Transportation - Hackensack	(92,585)	(4,266)		(96,851)
Transportation - Lodi		(36,207)		(36,207)
Pool	(37,331)	(15,329)		(52,660)
Flood Loss - Replacement	(566,866)			(566,866)
Hurricane Irene Damages	<u>(534,368)</u>	<u>((51,155))</u>	_____	<u>(3,535,105)</u>
	<u>(3,535,105)</u>	<u>(378,229)</u>	_____	<u>(3,913,334)</u>
	<u>\$2,983,774</u>	<u>\$314,474</u>	<u>\$</u> _____	<u>\$3,298,248</u>

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 4 – LONG-TERM DEBT

Mortgage Payable

On August 18, 2004, the Club incurred debt of \$750,000 with Bank of America through Bank of America's purchase of tax exempt bonds issued by the New Jersey Economic Development Authority specifically for the Club. Mortgage proceeds were used to re-finance existing debt; fund the acquisition of new equipment and capital improvements to the Club facility located at 460 Passaic Avenue Lodi, NJ.

The mortgage interest rate was 4.69% fixed for 10 years. Monthly payments were based on a 20 year payout. The interest rate was to be re-negotiated on or about August 19, 2014. The loan was secured by all Club real and personal property, receivables and intangibles.

On July 1, 2013, the Club entered into a new loan agreement with Pascaack Community Bank (now Lakeland Bank) to refinance all existing term loans and mortgage debt outstanding at that time with Bank of America with a small amount remaining to be used to finance operations. The amount of the new loan is \$735,000 and has a fifteen (15) year term with the monthly payments being calculated based on a twenty five (25) year amortization. The maturity date is 8/1/2028. The rate of interest is 4.5% for the initial five (5) years, with the initial term's principal and interest payments being \$4,113. On the 5th anniversary, the rate will reset for the next five (5) years at a fixed rate of 4.8% and the monthly payments will adjust accordingly. On the 10th anniversary, the rate will adjust to the FHLB NY 5 year index plus (+) 225 basis points with the resulting rate rounded to the nearest 1/8 of 1 percentage point (.125%). The resulting rate will be subject to a floor of 4.5%. Security shall be the land, building and all improvements of the club located at 460 Passaic Avenue, Lodi NJ. Flood insurance must be maintained throughout the entire term of the loan and the Club shall maintain an account relationship with the bank prior to closing or be subject to a 1% increase in its interest rate. In January 2022, the loan was modified to reduce the interest rate to 3.80%. Total interest paid during years ended December 31, 2024 and 2023 was \$20,709 and \$21,633, respectively.

Mortgage Payable balances as of December 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Due in One Year	\$27,022	\$25,945
Due Beyond One Year	<u>494,871</u>	<u>521,890</u>
Balance December 31,	<u>\$521,893</u>	<u>\$547,835</u>

Loans Payable

On May 4, 2020 the Club received an Economic Injury Disaster Loan from the U.S. Small Business Administration (SBA) to continue operations during the COVID-19 Pandemic. The principal balance of the loan is \$200,000 with a 30 year term and an interest rate at 2.75%.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 4 - LONG-TERM DEBT, (continued)

Loan Payable, (continued)

The loan is on an automatic deferment by the federal government due to the continuing Covid impacted economy. Repayment of interest began in May 2023. As of the date of this report it is unclear when principal payments will begin. As of December 31, 2024 and 2023, loan payable balances were as follows:

	<u>2024</u>	<u>2023</u>
Due in One Year	\$0	\$0
Due Beyond One Year	<u>200,000</u>	<u>200,000</u>
Balance December 31,	<u>\$200,000</u>	<u>\$200,000</u>

On October 12, 2007, the Club secured a loan from the Small Business Administration (SBA) to finance a portion of the shortfall from insurance proceeds received resulting from damage sustained from a "nor'easter storm" on April 15, 2007. The loan was approved for \$244,800 bearing an interest rate of 4% and maturing on July 11, 2037. All proceeds were used to complete the flood damage repairs and to install protective equipment to help reduce future flood problems and damages.

On September 10, 2008, the SBA approved a modification to the loan increasing it by an additional \$352,500 increasing the total amount available to \$597,300. This modification was granted to finance additional engineering and construction costs, both estimated and partially incurred, to repair severe structural damage to the building's steel supports as well as asbestos removal in a certain part of the building both caused by cumulative flood water damage over the years. The estimated cost of these projects is \$325,000. The interest rate and maturity date remained unchanged at 4% and July 11, 2037, respectively. Total interest paid and/or accrued during the years ended December 31, 2024 and 2023 were \$30,227 and \$42,864, respectively.

In March 2020, the Club received notice that the loan is on an automatic deferment by the SBA due to the COVID-19 pandemic. Interest payments resumed in March 2023. In July 2024, the SBA resumed principal payments on the loan.

	<u>2024</u>	<u>2023</u>
Due in One Year	\$24,018	\$-0-
Due Beyond One Year	<u>438,059</u>	<u>466,253</u>
Balance December 31,	<u>\$462,077</u>	<u>\$466,253</u>

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 4 - LONG-TERM DEBT, (continued)

Loans Payable, (continued)

On October 6, 2011, the Club received a Disaster Loan from the U.S. Small Business Administration (SBA) to rehabilitate or repair property damaged or destroyed by the disaster that occurred in August 2011. The principal balance of this loan \$833,000 with a 30 year term and an interest rate of 3.00%.

In March 2020, the Club received notice that the loan is on an automatic deferment by the SBA due to the COVID-19 pandemic. Repayment of interest is set to start in March 2023. In May 2024, the SBA resumed principal payments on the loan. As of December 31, 2024 and 2023, loan payable balances were as follows:

	<u>2024</u>	<u>2023</u>
Due in One Year	\$30,138	\$0
Due Beyond One Year	<u>686,632</u>	<u>726,995</u>
Balance December 31,	<u>\$716,770</u>	<u>\$726,995</u>

Notes Payable

In April 2022, the Club financed \$78,776 for 72 months with an interest rate of 4.50% for the purchase of School Bus. As of December 31, 2024, the Club had a balance of \$42,671, and paid interest of \$1,805.

	<u>2024</u>	<u>2023</u>
Due in One Year	\$13,129	\$13,129
Due Beyond One Year	<u>29,542</u>	<u>42,671</u>
Balance December 31,	<u>\$42,671</u>	<u>\$55,800</u>

In August 2023, the Club financed \$70,000 for 72 months with an interest rate of 6.99% for the purchase of a School Bus. As of December 31, 2024, the Club had a balance of \$53,472, and paid interest of \$2,572.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 4 - LONG-TERM DEBT, (continued)

Loans Payable, (continued)

	<u>2024</u>	<u>2023</u>
Due in One Year	\$11,667	\$11,667
Due Beyond One Year	<u>41,805</u>	<u>53,472</u>
Balance December 31,	<u>\$53,472</u>	<u>\$65,139</u>

In May 2024, the Club replaced an HVAC unit for \$228,684. The Club received 80% of the HVAC unit as an in-kind donation. The remaining 20% was financed through a payment plan with no interest through PSE&G for 60 months. As of December 31, 2024, the Club has a balance of \$43,450.

	<u>2024</u>
Due in One Year	\$9,147
Due Beyond One Year	<u>34,303</u>
Balance December 31,	<u>\$43,450</u>

NOTE 5 - RENTAL INCOME

The Club's facilities are rented to outside organizations on a month-to-month or an event-by-event basis. Pool facilities are rented to local swim clubs and schools. Total facility gross rental income for the year ending December 31, 2024 and 2023 amounted to \$529,345 and \$536,210, respectively.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(CONTINUED)

NOTE 6 - PENSION PLAN

The Club adopted a defined contribution plan in accordance with Section 403(b) of the Internal Revenue Code. The plan's annual employer contributions were equal to five percent of the participants' salary. The annual plan contributions made by the Club for the years ended December 31, 2024 and 2023 amounted to \$36,167 and \$30,990, respectively. Participants must be 21 years of age or older and have two years of continuous salaried full-time employment.

NOTE 7 - OTHER MATTERS

Other Litigation

The Club is involved in litigation surrounding an old allegation of child abuse. As of December 31, 2024, it is not possible to determine if there is a loss potential or what that amount might be. The Club has retained legal counsel and is vigorously defending this case.

NOTE 8 - SUBSEQUENT EVENTS

The Club has evaluated subsequent events through April 30, 2025, the date which the financial statements were available to be issued and no other items were noted for disclosure.

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
STATEMENTS OF SUMMARIZED FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2024

	PROGRAM SERVICES	MANAGEMENT & GENERAL	FUNDRAISING	TOTAL EXPENSES 12/31/2024	TOTAL EXPENSES 12/31/2023
Salaries	1,429,289	654,837	193,073	2,277,199	2,278,913
Payroll Taxes	138,658	58,303	18,590	215,551	216,545
Payroll Benefits	29,650	108,562	2,689	140,901	127,518
Total Compensation	<u>1,597,597</u>	<u>821,702</u>	<u>214,352</u>	<u>2,633,651</u>	<u>2,622,976</u>
Outside Consulting	19,056	15,425	-	34,481	28,914
Fees & Permits	-	2,077	-	2,077	3,044
Dues & Licenses	327	21,741	5,990	28,058	22,637
Supplies & Materials	59,445	134,452	245,119	439,016	422,077
Communications	-	-	-	-	-
Computer & Peripheral	682	26,837	-	27,519	16,277
Outside Security Services	16,590	-	-	16,590	17,150
Meals	9,905	-	-	9,905	12,183
Real Property Lease	-	22,800	-	22,800	21,600
Advertising	667	17,008	-	17,675	5,922
Promotion	-	27,776	56,517	84,293	39,742
Board Expenses	-	7,573	-	7,573	3,491
Training, Conference & Seminars	8,865	1,799	-	10,664	19,007
Repairs & Maintenance	16,317	32,586	-	48,903	50,969
Credit Card Fees	-	38,501	19,351	57,852	59,990
Electronic Rentals	-	10,038	66,019	76,057	74,012
Equipment	33,683	-	-	33,683	47,525
Good & Welfare	-	10,814	-	10,814	4,720
Insurance	-	173,444	-	173,444	153,206
Interest	-	96,120	-	96,120	112,439
Miscellaneous	3,353	1,111	-	4,464	23,536
Legal Fees	-	26,757	-	26,757	62,689
Accounting & Auditing	-	14,125	-	14,125	12,000
Payroll Processing	-	40,191	-	40,191	26,930
Pension Maintenance	-	1,950	-	1,950	1,100
Postage	-	1,465	-	1,465	12,227
Direct Activity Expenses	120,057	-	-	120,057	143,467
Prizes & Awards	-	-	830,134	830,134	873,681
Contracted Services	100,654	17,762	-	118,416	107,451
Golf Outing	-	-	36,165	36,165	30,677
Utilities	93,989	15,434	-	109,423	126,003
Scholarship	-	-	-	-	2,500
Transportation	3,611	-	-	3,611	12,742
Total Expenses Before Depreciation and Amortization	<u>2,084,798</u>	<u>1,579,488</u>	<u>1,473,647</u>	<u>5,137,933</u>	<u>5,172,884</u>
Disposals, Depreciation and Amortization	<u>335,151</u>	<u>-</u>	<u>59,144</u>	<u>394,295</u>	<u>378,229</u>
Total Expenses	<u><u>2,419,949</u></u>	<u><u>1,579,488</u></u>	<u><u>1,532,791</u></u>	<u><u>5,532,228</u></u>	<u><u>5,551,113</u></u>

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2024

	PROGRAM SERVICES					SUPPORTING SERVICES			TOTAL EXPENSES	
	21st CENTURY PROGRAM	HACKENSACK PROGRAM	HMS PROGRAM	LODI PROGRAM	OTHER PROGRAMS	TOTAL PROGRAM SERVICES	FUNDRAISING	MANAGEMENT & GENERAL		SUPPORTING SERVICES
Salaries	304,646	126,720	252,452	519,203	226,268	1,429,289	193,073	654,837	847,910	2,277,199
Payroll Taxes	29,335	12,272	24,849	50,730	21,472	138,658	18,590	58,303	76,893	215,551
Payroll Benefits	10,715	4,202		9,004	5,729	29,650	2,689	108,562	111,251	140,901
Total Compensation	344,696	143,194	277,301	578,937	253,469	1,597,597	214,352	821,702	1,036,054	2,633,651
Outside Consulting	19,056					19,056		15,425	15,425	34,481
Fees & Permits								2,077	2,077	2,077
Dues & Licenses	52				275	327		21,741	27,731	28,058
Supplies & Materials	18,468	1,528	21,211		18,238	59,445		134,452	245,119	439,016
Communications										
Computer & Peripheral		615	67			682		26,837	26,837	27,519
Outside Security Services	16,590					16,590				16,590
Real Property Lease								22,800	22,800	22,800
Meals	9,905					9,905				9,905
Advertising		667				667		17,008	17,008	17,675
Promotion								27,776	84,293	84,293
Board Expenses								7,573	7,573	7,573
Training, Conference & Seminars					734	8,865		1,799	1,799	10,664
Repairs & Maintenance	4,035	1,868	526	1,702	13,665	16,317		32,586	32,586	48,903
Credit Card Fees		2,652						38,501	19,351	57,852
Electronic Rentals								10,038	76,057	76,057
Equipment										33,683
Good & Welfare			35	32,399	1,249	33,683		10,814	10,814	10,814
Insurance								173,444	173,444	173,444
Interest								96,120	96,120	96,120
Miscellaneous	298	2,908			147	3,353		1,111	1,111	4,464
Legal Fees								26,757	26,757	26,757
Accounting & Auditing								14,125	14,125	14,125
Payroll Processing								40,191	40,191	40,191
Pension Maintenance								1,950	1,950	1,950
Postage								1,465	1,465	1,465
Direct Activity Expenses	19,053	8,457	5,056	85,358	2,133	120,057				120,057
Prizes & Awards										830,134
Contracted Services								17,762	17,762	830,134
Golf Outing										118,416
Utilities	1,625	3,911	992	87,461		93,989		15,434	36,165	36,165
Scholarship										109,423
Transportation	1,050			400	2,161	3,611				3,611
Total Expenses Before Depreciation and Amortization	434,828	165,800	305,188	886,911	292,071	2,084,798		1,579,488	3,053,135	5,137,933
Disposals, Depreciation and Amortization										394,295
Total Expenses	434,828	165,800	305,188	886,911	292,071	2,419,949		1,579,488	3,112,279	5,532,228

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2023

	PROGRAM SERVICES				SUPPORTING SERVICES			TOTAL EXPENSES		
	21st CENTURY PROGRAM	HACKENSACK PROGRAM	HMS PROGRAM	LODI PROGRAM	OTHER PROGRAMS	TOTAL PROGRAM SERVICES	MANAGEMENT & GENERAL		FUNDRAISING	TOTAL SUPPORTING SERVICES
Salaries	377,580	166,464	199,875	482,438	193,759	1,420,116	651,001	207,796	858,797	2,278,913
Payroll Taxes	36,693	16,246	19,924	47,490	18,157	138,510	57,794	20,241	78,035	216,545
Payroll Benefits	6,241	2,451	408	9,376	6,788	23,264	99,547	2,707	102,254	127,518
Total Compensation	420,514	185,161	220,207	539,304	218,704	1,583,890	808,342	230,744	1,039,086	2,622,976
Outside Consulting	15,000					15,000	13,914		13,914	28,914
Fees & Permits							3,044		3,044	3,044
Dues & Licenses					925		14,422		14,422	21,712
Supplies & Materials	26,360	4,242	21,070		9,332	61,004	109,786	251,287	361,073	422,077
Communications										
Computer & Peripheral	16	320	21			357	15,920		15,920	16,277
Outside Security Services	17,150					17,150				17,150
Real Property Lease							21,600		21,600	21,600
Meals	11,758					11,758		425	425	12,183
Advertising		3,000				3,000	2,922		2,922	5,922
Promotion							3,017	36,725	39,742	39,742
Board Expenses							3,491		3,491	3,491
Training, Conference & Seminars							7,197		7,197	19,007
Repairs & Maintenance	5,155	1,055	175	1,263	4,162	11,810	41,557		41,557	50,969
Credit Card Fees		5,306			4,106	9,412	40,396	19,594	59,990	59,990
Electronic Rentals							9,935	64,077	74,012	74,012
Equipment										47,525
Good & Welfare			19,807	24,572	3,146	47,525	4,720		4,720	4,720
Insurance							153,206		153,206	153,206
Interest							112,439		112,439	112,439
Miscellaneous	699	4,305	250		16,526	21,780	1,756		1,756	23,536
Legal Fees							62,689		62,689	62,689
Accounting & Auditing							12,000		12,000	12,000
Payroll Processing							26,930		26,930	26,930
Pension Maintenance							1,100		1,100	1,100
Postage							12,227		12,227	12,227
Direct Activity Expenses	32,726	22,090	4,825	79,053	4,773	143,467		873,681	873,681	143,467
Prizes & Awards										873,681
Contracted Services							16,118		16,118	107,451
Golf Outing								30,677	30,677	30,677
Utilities	1,600	3,741	594	102,058		107,993	18,010		18,010	126,003
Scholarship							2,500		2,500	2,500
Transportation	960			3,025	8,757	12,742				12,742
Depreciation and Amortization	531,938	229,220	266,949	840,608	270,431	2,139,146	1,519,238	1,514,500	3,033,738	5,172,884
Disposals, Depreciation and Amortization								56,734	56,734	378,229
Total Expenses	531,938	229,220	266,949	1,162,103	270,431	2,460,641	1,519,238	1,571,234	3,090,472	5,551,113

BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title/Cluster Title	Assistance Listing Number	State Agency Account Number	Grant Award	Grant Receipts	Grant Period		Grant Expenditures	Cumulative Grant Expenditures
					From	To		
U.S. Department of Education								
<i>Passed Through New Jersey Department of Education</i>								
21st Century Community Learning Centers	84.287	S287C210030	400,000	61,074	9/1/24	8/31/25	91,462	91,462
21st Century Community Learning Centers	84.287	S287C210030	500,000	496,397	9/1/23	8/31/24	357,953	496,397
Total U.S. Department of Education				<u>557,471</u>			<u>449,415</u>	<u>587,859</u>
U.S. Department of Justice								
<i>Passed Through Boys and Girls Club of America</i>								
Juvenile Mentoring Program	16.726	n/a	103,440	27,058	1/1/24	12/31/24	103,440	103,440
Total U.S. Department of Justice				<u>27,058</u>			<u>103,440</u>	<u>103,440</u>
Total Federal Financial Awards				<u>584,529</u>			<u>552,855</u>	<u>691,299</u>

This schedule is presented for management purposes only and is not subject to single audit.



WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, PSA
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, CMFO, PSA
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-6631
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Boys and Girls Clubs of Lower Bergen County, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of American and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Boys and Girls Clubs of Lower Bergen County, Inc. (the "Club"), a nonprofit organization, which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated April 30, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Club's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Club's internal control. Accordingly, we do not express an opinion on the effectiveness of the Boys and Girls Clubs of Lower Bergen County, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Club's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Club's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Club's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

April 30, 2025

**BOYS AND GIRLS CLUBS OF LOWER BERGEN COUNTY, INC.
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Status of Prior Year Findings

A review was performed on all prior year recommendations and corrective action was taken on all items.

Problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.


Acknowledgment

Problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to our comments and recommendations, or should you desire assistance in implementing our recommendations, do not hesitate to call us.

We wish to thank the Boys and Girls Clubs of Lower Bergen County, Inc. for their cooperation during the performance of our audit.

Respectfully submitted,


WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey