

WASHINGTON CROSSING COUNCIL,
BOY SCOUTS OF AMERICA

FINANCIAL STATEMENTS

DECEMBER 31, 2024 and 2023

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

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INDEPENDENT AUDITORS' REPORT

To the Council Executive Board of
Washington Crossing Council, Boy Scouts of America

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Washington Crossing Council, Boy Scouts of America (the "Council"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Washington Crossing Council, Boy Scouts of America as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for each of 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Council'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 Council'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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
November 10, 2025



WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Statements of Financial Position

	December 31,							
	2024				2023			
	Operating Fund	Capital Fund	Endowment Fund	Total	Operating Fund	Capital Fund	Endowment Fund	Total
ASSETS								
Cash and cash equivalents	\$ 457,668	\$ 343,100	\$ 4,175	\$ 804,943	\$ 656,788	\$ 261,648	\$ 11,500	\$ 929,936
Short-term investments	3,292	4,252	18,205	25,749	3,691	4,252	17,955	25,898
Accounts receivable	22,351	24	-	22,375	5,748	13	-	5,761
Inventories	141,050	-	-	141,050	165,111	-	-	165,111
Prepaid expenses	61,667	-	-	61,667	61,727	-	-	61,727
Pledges receivable, net	-	67,000	-	67,000	-	107,500	-	107,500
Land, buildings and equipment, net	-	2,641,136	-	2,641,136	-	2,716,131	-	2,716,131
Long-term investments	65,433	110,686	1,980,627	2,156,746	63,021	109,021	1,868,335	2,040,377
Beneficial interest in split interest agreement	-	-	99,463	99,463	-	-	99,101	99,101
Total assets	\$ 751,461	\$ 3,166,198	\$ 2,102,470	\$ 6,020,129	\$ 956,086	\$ 3,198,565	\$ 1,996,891	\$ 6,151,542
LIABILITIES								
Accounts payable and other current liabilities	\$ 71,889	\$ -	\$ -	\$ 71,889	\$ 70,342	\$ -	\$ -	\$ 70,342
Payroll taxes withheld and accrued	182	-	-	182	2,653	-	-	2,653
Custodian accounts	186,995	-	-	186,995	397,000	-	-	397,000
Deferred activity income	3,350	-	-	3,350	990	-	-	990
Deferred camp income	34,354	-	-	34,354	19,544	-	-	19,544
Deferred other income	156,789	-	-	156,789	183,441	-	-	183,441
Advances on line-of-credit	-	255,000	-	255,000	-	330,000	-	330,000
Total liabilities	453,559	255,000	-	708,559	673,970	330,000	-	1,003,970
Commitments								
NET ASSETS								
Without donor restrictions	176,014	2,737,833	372,351	3,286,198	164,457	2,671,052	368,509	3,204,018
With donor restrictions	121,888	173,365	1,730,119	2,025,372	117,659	197,513	1,628,382	1,943,554
Total net assets	297,902	2,911,198	2,102,470	5,311,570	282,116	2,868,565	1,996,891	5,147,572
	\$ 751,461	\$ 3,166,198	\$ 2,102,470	\$ 6,020,129	\$ 956,086	\$ 3,198,565	\$ 1,996,891	\$ 6,151,542

See notes to financial statements.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Statements of Activities and Changes in Net Assets

	Year Ended December 31,							
	2024				2023			
	Operating Fund	Capital Fund	Endowment Fund	Total	Operating Fund	Capital Fund	Endowment Fund	Total
Change in net assets without donor restrictions:								
Support and revenue:								
Direct support:								
Sustaining membership, net	\$ 233,661	\$ -	\$ -	\$ 233,661	\$ 271,097	\$ -	\$ -	\$ 271,097
Special events	291,505	-	-	291,505	256,634	-	-	256,634
Costs of direct benefit	(70,146)	-	-	(70,146)	(59,228)	-	-	(59,228)
Foundations, trusts and grants	9,168	1,676	-	10,844	11,956	-	-	11,956
Legacies and bequests	4,304	-	-	4,304	-	-	-	-
Other direct	28,964	160,623	-	189,587	30,444	168,561	-	199,005
Total direct support	497,456	162,299	-	659,755	510,903	168,561	-	679,464
Indirect support:								
United Way	1,099	-	-	1,099	2,961	-	-	2,961
Other indirect	780	-	-	780	-	-	-	-
Total indirect support	1,879	-	-	1,879	2,961	-	-	2,961
Revenue:								
Supplies	219,885	-	-	219,885	248,968	-	-	248,968
Cost of supplies	(136,155)	-	-	(136,155)	(146,495)	-	-	(146,495)
Camping	1,047,393	-	-	1,047,393	1,170,202	-	-	1,170,202
Activities	75,428	-	-	75,428	255,145	-	-	255,145
Other revenue	358,767	-	-	358,767	372,492	-	-	372,492
Product sales	267,710	-	-	267,710	264,651	-	-	264,651
Cost of product	(89,520)	-	-	(89,520)	(87,198)	-	-	(87,198)
Sales commissions	(87,845)	-	-	(87,845)	(90,971)	-	-	(90,971)
Investment income, net	57,495	3,919	41,694	103,108	59,137	11,853	34,149	105,139
Total revenue	1,713,158	3,919	41,694	1,758,771	2,045,931	11,853	34,149	2,091,933
Net assets released from restrictions	21,445	79,692	1,200	102,337	35,583	145,017	-	180,600
Total support and revenue	2,233,938	245,910	42,894	2,522,742	2,595,378	325,431	34,149	2,954,958
Expenses:								
Functional expenses:								
Program services:								
Scoutcraft	1,041,377	171,826	-	1,213,203	1,232,850	178,935	-	1,411,785
Camping	964,917	-	-	964,917	1,017,594	-	-	1,017,594
Support services:								
Management and general	47,460	1,322	-	48,782	47,791	1,689	-	49,480
Fundraising	146,056	2,975	-	149,031	143,819	3,800	-	147,619
Total program and support services	2,199,810	176,123	-	2,375,933	2,442,054	184,424	-	2,626,478
Charter and National Service Fee	64,629	-	-	64,629	47,294	-	-	47,294
Total expenses	2,264,439	176,123	-	2,440,562	2,489,348	184,424	-	2,673,772
Increase (decrease) in net assets without donor restrictions	(30,501)	69,787	42,894	82,180	106,030	141,007	34,149	281,186

See notes to financial statements.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Statements of Activities and Changes in Net Assets (continued)

	Year Ended December 31,							
	2024		2023		2024		2023	
	Operating Fund	Capital Fund	Endowment Fund	Total	Operating Fund	Capital Fund	Endowment Fund	Total
Change in net assets with donor restrictions:								
Direct support:								
Foundations, trusts and grants	\$ -	\$ 2,324	\$ -	\$ 2,324	\$ -	\$ 1,464	\$ -	\$ 1,464
Contributions	-	-	8,242	8,242	-	-	9,530	9,530
Other direct	25,538	53,220	-	78,758	8,000	119,300	-	127,300
Total direct support	25,538	55,544	8,242	89,324	8,000	120,764	9,530	138,294
Total support	25,538	55,544	8,242	89,324	8,000	120,764	9,530	138,294
Investment income, net	136	-	94,695	94,831	303	-	90,878	91,181
Net assets released from restrictions	(21,445)	(79,692)	(1,200)	(102,337)	(35,583)	(145,017)	-	(180,600)
Increase (decrease) in net assets with donor restrictions	4,229	(24,148)	101,737	81,818	(27,280)	(24,253)	100,408	48,875
Increase (decrease) in total net assets	(26,272)	45,639	144,631	163,998	78,750	116,754	134,557	330,061
Net assets at beginning of year:								
Net assets without donor restrictions	164,457	2,671,052	368,509	3,204,018	148,592	2,404,952	369,288	2,922,832
Net assets with donor restrictions	117,659	197,513	1,628,382	1,943,554	144,939	221,766	1,527,974	1,894,679
Total net assets at beginning of year	282,116	2,868,565	1,996,891	5,147,572	293,531	2,626,718	1,897,262	4,817,511
Board authorized transfers:								
Net assets without donor restrictions	42,058	(3,006)	(39,052)	-	(90,165)	125,093	(34,928)	-
Total transfers	42,058	(3,006)	(39,052)	-	(90,165)	125,093	(34,928)	-
Net assets at end of year:								
Net assets without donor restrictions	176,014	2,737,833	372,351	3,286,198	164,457	2,671,052	368,509	3,204,018
Net assets with donor restrictions	121,888	173,365	1,730,119	2,025,372	117,659	197,513	1,628,382	1,943,554
Total net assets at end of year	\$ 297,902	\$ 2,911,198	\$ 2,102,470	\$ 5,311,570	\$ 282,116	\$ 2,868,565	\$ 1,996,891	\$ 5,147,572

See notes to financial statements.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Statements of Functional Expenses

	Year Ended December 31,											
	2024					2023						
	Program Services			Support Services		Program Services			Support Services			
	Scoutcraft	Camping	Total Program	Management and General	Fundraising	Total	Scoutcraft	Camping	Total Program	Management and General	Fundraising	Total
Operating Fund expenses:												
Employee compensation:												
Salaries	\$ 673,073	\$ 292,714	\$ 965,787	\$ 30,808	\$ 69,318	\$ 1,065,913	\$ 697,448	\$ 296,128	\$ 993,576	\$ 31,860	\$ 71,684	\$ 1,097,120
Employee benefits	136,173	30,667	166,840	6,261	14,087	187,188	137,481	31,625	169,106	6,321	14,222	189,649
Payroll taxes	48,955	27,654	76,609	2,251	5,064	83,924	51,797	28,051	79,848	2,381	5,358	87,587
Employee related expenses	1,425	3,728	5,153	47	105	5,305	642	3,489	4,131	22	49	4,202
Total employee compensation	859,626	354,763	1,214,389	39,367	88,574	1,342,330	887,368	359,293	1,246,661	40,584	91,313	1,378,558
Other expenses:												
Professional fees	32,816	5,987	38,803	1,706	8,743	49,252	45,274	10,414	55,688	1,988	12,329	70,005
Supplies	26,685	358,660	385,345	206	3,792	389,343	64,507	371,316	435,823	314	1,764	437,901
Other expenses	5,686	19,112	24,798	1,615	15,594	42,007	16,499	9,737	26,236	744	6,445	33,425
Telephone	7,973	7,750	15,723	282	634	16,639	8,580	8,254	16,834	287	646	17,767
Postage and shipping	(6,622)	11,148	4,526	419	1,171	6,116	5,970	1,135	7,105	363	1,788	9,256
Printing	12,404	1,445	13,849	367	1,844	16,060	3,279	1,555	4,834	259	1,172	6,265
Occupancy	37,862	106,677	144,539	1,902	3,852	150,293	24,156	147,860	172,016	1,642	4,231	177,889
Travel	11,241	7,660	18,901	397	2,642	21,940	41,428	8,707	50,135	350	2,619	53,104
Conference and meetings	8,184	4,909	13,093	235	978	14,306	83,241	4,838	88,079	265	2,113	90,457
Insurance	15,044	71,784	86,828	408	919	88,155	15,140	67,371	82,511	405	911	83,827
Repairs and maintenance	12,888	13,664	26,552	238	957	27,747	16,772	25,746	42,518	520	1,819	44,857
Recognition	15,651	1,358	17,009	318	16,356	33,683	17,413	1,368	18,781	70	16,669	35,520
Assistance to individual	1,939	-	1,939	-	-	1,939	3,223	-	3,223	-	-	3,223
Total other expenses	181,751	610,154	791,905	8,093	57,482	857,480	345,482	658,301	1,003,783	7,207	52,506	1,063,496
Total operating fund expenses	1,041,377	964,917	2,006,294	47,460	146,056	2,199,810	1,232,850	1,017,594	2,250,444	47,791	143,819	2,442,054
Capital Fund expenses:												
Depreciation	105,962	-	105,962	315	709	106,986	96,467	-	96,467	296	666	97,429
Supplies	17,201	-	17,201	-	-	17,201	439	-	439	-	-	439
Interest	21,908	-	21,908	1,007	2,266	25,181	30,291	-	30,291	1,393	3,134	34,818
Occupancy	20,113	-	20,113	-	-	20,113	50,351	-	50,351	-	-	50,351
Professional fees	1,325	-	1,325	-	-	1,325	1,387	-	1,387	-	-	1,387
Recognition	1,265	-	1,265	-	-	1,265	-	-	-	-	-	-
Repairs and maintenance	4,052	-	4,052	-	-	4,052	-	-	-	-	-	-
Total capital fund expenses	171,826	-	171,826	1,322	2,975	176,123	178,935	-	178,935	1,689	3,800	184,424
	1,213,203	964,917	2,178,120	48,782	149,031	2,375,933	1,411,785	1,017,594	2,429,379	49,480	147,619	2,626,478
Cost of direct benefit to donors:												
Food and beverage	-	-	-	-	21,323	21,323	-	-	-	-	20,892	20,892
Facilities rental	-	-	-	-	40,889	40,889	-	-	-	-	30,487	30,487
Other direct benefit to donors	-	-	-	-	7,934	7,934	-	-	-	-	7,849	7,849
Cost of supplies	136,155	-	136,155	-	-	136,155	146,495	-	146,495	-	-	146,495
Cost of product	89,520	-	89,520	-	-	89,520	87,198	-	87,198	-	-	87,198
Charter and National Service fee	-	-	-	64,629	-	64,629	-	-	-	47,294	-	47,294
Sales commissions	87,845	-	87,845	-	-	87,845	90,971	-	90,971	-	-	90,971
Total functional expenses	\$ 1,526,723	\$ 964,917	\$ 2,491,640	\$ 113,411	\$ 219,177	\$ 2,824,228	\$ 1,736,449	\$ 1,017,594	\$ 2,754,043	\$ 96,774	\$ 206,847	\$ 3,057,664

See notes to financial statements.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Statements of Cash Flows

	Year Ended December 31,				2023
	2024				
	Operating Fund	Capital Fund	Endowment Fund	Total	Total
Cash flows from operating activities:					
Increase (decrease) in total net assets	\$ (26,272)	\$ 45,639	\$ 144,631	\$ 163,998	\$ 330,061
Adjustments to reconcile increase (decrease) in total net assets to net cash provided by (used in) operating activities:					
Depreciation	-	106,986	-	106,986	97,429
Loss on disposal of asset	-	-	-	-	5,517
Bad debt expense	250	-	-	250	-
Net realized and unrealized (gain) loss on investments	385	-	(160,251)	(159,866)	(154,181)
Change in value of split interest agreement	-	-	(362)	(362)	3,471
Transfers	42,058	(3,006)	(39,052)	-	-
Contribution restricted for endowment	-	-	(8,242)	(8,242)	(9,530)
Contributions of donated stock	(48,534)	-	-	(48,534)	-
(Increase) decrease in assets:					
Accounts receivable	(16,853)	(11)	-	(16,864)	(2,038)
Inventories	24,061	-	-	24,061	12,805
Prepaid expenses	60	-	-	60	14,055
Pledges receivable	-	40,500	-	40,500	(107,205)
Grant receivable	-	-	-	-	-
Increase (decrease) in liabilities:					
Accounts payable and other current liabilities	1,547	-	-	1,547	18,406
Payroll taxes withheld and accrued	(2,471)	-	-	(2,471)	2,653
Custodian accounts	(210,005)	-	-	(210,005)	77,452
Deferred activity income	2,360	-	-	2,360	(110,308)
Deferred camp income	14,810	-	-	14,810	(2,289)
Deferred other income	(26,652)	-	-	(26,652)	8,103
Net cash provided by (used in) operating activities	<u>(245,256)</u>	<u>190,108</u>	<u>(63,276)</u>	<u>(118,424)</u>	<u>184,401</u>
Cash flows from investing activities:					
Purchases of land, buildings and equipment	-	(31,991)	-	(31,991)	(236,461)
Proceeds from sale of investments	48,072	92,675	287,775	428,522	550,524
Purchases of investments	(1,936)	(94,340)	(240,066)	(336,342)	(492,196)
Net cash (used in) provided by investing activities	<u>46,136</u>	<u>(33,656)</u>	<u>47,709</u>	<u>60,189</u>	<u>(178,133)</u>
Cash flows from financing activities:					
Pledges receivable - endowment	-	-	8,242	8,242	9,530
Repayments on line-of-credit	-	(75,000)	-	(75,000)	(170,000)
Net cash provided by (used in) financing activities	<u>-</u>	<u>(75,000)</u>	<u>8,242</u>	<u>(66,758)</u>	<u>(160,470)</u>
Net increase (decrease) in cash and cash equivalents	(199,120)	81,452	(7,325)	(124,993)	(154,202)
Cash and cash equivalents at beginning of year	<u>656,788</u>	<u>261,648</u>	<u>11,500</u>	<u>929,936</u>	<u>1,084,138</u>
Cash and cash equivalents at end of year	\$ 457,668	\$ 343,100	\$ 4,175	\$ 804,943	\$ 929,936
Supplemental disclosures of cash flow information:					
Write-off of fully depreciated assets	\$ -	\$ -	\$ -	\$ -	\$ 138,017
Cash paid during the year for interest	\$ -	\$ 25,181	\$ -	\$ 25,181	\$ 34,818

See notes to financial statements.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE A - NATURE OF THE ORGANIZATION

Washington Crossing Council, Boy Scouts of America (the "Council") is located in Doylestown, Pennsylvania and provides services to young men and women ages 5 to 20 in Bucks County, Pennsylvania, and in Hunterdon County and the Greater Mercer Area in New Jersey. The Council has camping facilities at Ockanickon Scout Reservation located in Bucks County, Pennsylvania. Washington Crossing Council, Boy Scouts of America is an independent not-for-profit organization devoted to promoting, within the territory covered by the charter granted by the National Council of the Boy Scouts of America ("National Council, BSA"), the ability of boys, girls, young men and women to do things for themselves and others, training them in Scoutcraft and teaching them patriotism, courage and self-reliance. The Council also prepares its youth members to make ethical choices over their lifetimes and achieve their full potential using the methods which are now in common use by the Boy Scouts of America. In addition to support for organizational and programmatic scouting activities, the National Council, BSA provides components of the Council's employee benefit plans (see Note L) and liability insurance programs, as well as components of the Council's technology, software and other items.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of presentation and classification of net assets:

The financial statements of the Council have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applicable to not-for-profit organizations.

To ensure observance of limitations and restrictions placed on the use of available resources, the accounts of the Council are maintained in accordance with the principles of fund accounting. Under such principles, resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with specific activities or objectives.

General Operating Fund – The general operating fund is used to account for the Council's operating activities.

Capital Fund – The capital fund is used to account for property, buildings, equipment, and legally restricted cash that is to be expended for property, buildings, and equipment and related debt payments. Also, included in this fund are investments either restricted or designated for capital repair and improvements where the income is either designated or restricted for those particular items. Revenues and expenses related to the capital fundraising campaign are also included in this fund.

Endowment Fund – The endowment fund is normally used to account for amounts of gifts and bequests accepted with legal restrictions based on donor stipulation that the principal be maintained intact in perpetuity, until the occurrence of a specified event or for a specified period, and that investment return thereof be expended either for general purposes or for purposes specified by the donor. Investment funds with and without donor restrictions are also included in the endowment fund. Certain net assets have been restricted by donors to be maintained by the Council in perpetuity.

The Council also prepares financial statements in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, *Presentation of Financial Statements*. The Council is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. See Note J for classification of balances.

Resources in the financial statements are classified for accounting and reporting purposes into classes of net assets according to the existence or absence of donor-imposed restrictions.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[1] Basis of presentation and classification of net assets: (continued)

The accompanying financial statements include the following classes of net assets:

Net Assets Without Donor Restrictions - Net assets without donor restrictions represent net assets available for use in general operations and not subject to donor restrictions, and over which the Board of Directors ("Board") has discretionary control.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Donor-imposed restrictions are released from the capital fund when the asset is placed into service. Restricted contributions whose restrictions are met in the same reporting period as when the contributions are received are reported as net assets without donor restrictions in the statements of activities and changes in net assets.

[2] Contributions:

Funding for the Council's activities is partially achieved through contributions made through annual appeal, foundations, trusts and grants, and legacy and bequests, including unconditional promises to give. These donations provide funding to be used to support the mission of the Council. As the donors are not receiving a benefit as a result of these transactions, the donations are considered to be contributions to the Council. Some contributions require that funds be expended for a specific purpose, and are considered to be net assets with donor restrictions.

The Council recognizes contributions as revenue when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

[3] Revenue recognition:

Revenue from exchange transactions

The Council recognizes revenue in accordance with FASB ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). ASC 606 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Council records the following exchange transaction revenue in its statements of activities and changes in net assets for the years ended December 31, 2024 and 2023.

Supplies

The Council operates a Scout Shop in its Service Center and a Trading Post at its summer camp, which sell Scouting-related merchandise on a retail basis to customers. The performance obligation is the delivery of the good to the customer. The transaction price is established by the Council based on retail prices suggested by the suppliers. As each item is individually priced, no allocation of the transaction price is necessary. The Council recognizes revenue at a point in time as the customer pays and takes possession of the merchandise. Some merchandise is sold with a right of return. If probable customer returns exist at the end of an accounting period, the Council estimates and records in its financial statements a liability for such returns, which offsets revenue. No liability for probable customer returns was considered necessary as of December 31, 2024 or 2023.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[3] Revenue recognition: (continued)

Product sales

To help Scout packs and troops raise the money they need to fund programs and activities throughout the year, the Council participates in the Trails End and the Camp Masters' Popcorn program, for the years ended 2024 and 2023. Scout packs and troops purchase popcorn from the Council, which they then resell to customers. The popcorn sale also helps the Council raise money in support of its programs. Popcorn sales to Scout units start in the fall of each year, with the units placing their orders online through the Trails End and the Camp Masters' website. The price the Scout unit pays for the popcorn is established by the Council, and each item is individually priced, so no allocation of the transaction price is required. Many BSA units are allowed to purchase popcorn "on account" with payment due at a later date. The Council uses the Trails End and the Camp Masters' website to track and manage unit accounts receivable. With popcorn sales, the performance obligation is delivery of the product, which is fulfilled by the Council at predetermined times and locations. Revenue recognition occurs at a point in time when the product has been delivered. The Council presents separately in its statements of activities and changes in net assets gross revenues from popcorn sales, cost of goods sold, and unit commissions. Scout units have the right to return to the Council any unsold product, subject to a return-by date of November 1, 2024. As of December 31, 2024 and 2023, no probable popcorn returns existed. Accordingly, no liability for probable customer returns was considered necessary.

Camping and activity revenue

The Council conducts program-related experiences such as Day Camps, Day Activities, Weekend Overnights, Camporees, and Summer Camps where the performance obligation is delivery of the program. Fees for camps and activities are set by the Council. For resident camps, fees include program supplies, meals, lodging, recognition items, staffing, and facility costs. As is customary, these items are not separately priced and are therefore considered to be one performance obligation. Some special camp programs do incur additional fees (shooting sports and training, for example), which are separately priced. Camp and program activity fees are set by the Council and payment is due prior to attending camp or the program. Fees collected in advance of delivery of the camp or activity are initially recognized as a contract liability as deferred camp or activity income and are only recognized as revenue in the statements of activities and changes in net assets at a point in time after delivery of the program has occurred.

Special fundraising event revenues

The Council conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event - the exchange component, and a portion represents a contribution to the Council. Unless a verifiable objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured at the actual cost to the Council. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs of the special events, which ultimately benefit the donor rather than the Council, are recorded as costs of direct donor benefits in the statements of activities and changes in net assets. The performance obligation is delivery of the event, which is usually accompanied by a presentation. The event fee is set by the Council. ASC 606 requires allocation of the transaction price to the performance obligations. Special event fees are determined by the Council and payment is due prior to attending the event. Special event fees collected by the Council in advance of its delivery are initially recognized as a contract liability as deferred revenue, and recognized as special event revenue at a point in time after delivery of the event. As of December 31, 2024 and 2023, there were no conditional contributions associated with special events.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

**Notes to Financial Statements
December 31, 2024 and 2023**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[4] Council service fee:

On June 24, 2020, the Council's board of directors approved the charging of a council service fee of \$75 to each scout, that will be adjusted annually. Council service fees provide benefits to scouts over a rolling 12 month period. The benefits received by the scouts include allowing to participate in the scoutcraft program. The value of these benefits is commensurate with the council service fees paid. The scout simultaneously receives and consumes the benefit of the membership over the course of the year and, therefore, revenue is recorded ratably over the 12-month period. Council service fees recognized as revenue during the years ended December 31, 2024 and 2023 were \$325,739 and \$325,130, respectively, and are included in other revenue on the statements of activities and changes in net assets. Council service fees received in advance of the year that they relate to are recorded as a contract liability under deferred other income on the statements of financial position. As of December 31, 2024, 2023 and 2022, the Council collected council service fees in advance of \$156,261, \$177,961, and \$164,599, respectively.

[5] Cash and cash equivalents:

The Council considers all highly liquid investments purchased with initial maturities of three months or less to be cash equivalents.

[6] Accounts receivable and credit policies:

Accounts receivable are recorded primarily for product sales and are reported at net realizable value. The Council determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of current market conditions and reasonable and supportable forecasts of future economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. An allowance for credit losses is deemed to be immaterial as of December 31, 2024 or 2023.

[7] Inventories:

Inventories consist of scouting and other items available for resale and are stated at the lower of cost or net realizable value. Cost is determined using the average cost method.

[8] Land, buildings and equipment:

Land, buildings and equipment are stated at cost, unless acquired by gift, in which case they are recorded at the approximate fair value at the time of donation, less accumulated depreciation in the Capital Fund. Specific real estate items are stated based on a 1974 real estate appraisal less accumulated depreciation. Maintenance and repairs are charged to operations when incurred. Purchases of buildings, improvements, or equipment costing \$5,000 or more are capitalized.

Depreciation of property and equipment and amortization of leasehold improvements are computed using the straight-line method based on the shorter of the estimated useful lives or lease terms of the assets as follows:

Land improvements	10 – 40 years
Buildings and leasehold improvements	2 – 50 years
Furniture, fixtures, and equipment	3 – 20 years

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[8] Land, buildings and equipment: (continued)

Management evaluates the recoverability of long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of December 31, 2024 and 2023, and in the opinion of management, there was no impairment. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

[9] Construction in progress:

Construction in progress is stated at cost and consists primarily of costs incurred in the construction of building improvements. No provision for depreciation is made on construction in progress until the assets are complete and placed into service.

[10] Investments:

Investments consist primarily of assets invested in mutual funds, bonds, corporate stock and exchange-traded funds. All investments are stated at fair value. Unrealized and realized gains and losses are reflected in the accompanying statements of activities and changes in net assets. Investments are classified based on their original maturities. Investments with original maturities of less than 12 months are classified as short-term investments on the accompanying statements of financial positions.

The Council's investment securities are subject to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

[11] Beneficial interest in split interest agreement:

Beneficial interest in split interest agreement consists of charitable gift annuities between a donor and the National Council, BSA. The donor named the Council the beneficiary of the annuities. The National Council, BSA administers these types of annuities, which include paying a life annuity to the donor or to a designated beneficiary and paying the residuum to the Council when the donor dies. The National Council, BSA advises Council annually of the amount of the expected residuum of the gift. The amount of the Council's beneficial interest in the split interest agreement was \$99,463 and \$99,101 as of December 31, 2024 and 2023, respectively, and is recorded in the statements of financial position.

[12] Interfund loans:

The Council records interfund loans on a single line in the assets section of the statements of financial position.

[13] Custodian accounts:

Custodian accounts represent funds received on behalf of various groups. The majority of the funds represents membership and charter fees paid by individual units to be remitted to National Council, BSA. These funds are disbursed for the purpose designated by the various groups.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[14] Investment policy:

The Council's investment policy intends for the Council to invest in assets that would produce results exceeding the investment's purchase price and incur a reasonable yield of return, while assuming a moderate level of investment risk. To satisfy the long-term rate-of-return objective, the Council 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 Council targets a diversified asset allocation that places an emphasis on marketable equity and debt securities and money market accounts to achieve its long-term return objectives within prudent risk constraints.

[15] Board-designated endowment funds:

Board-designated endowment funds include proceeds from the sale of conservation easements for developed rights at Ockanickon Scout Reservation and other funds specifically designated by the Board. It is the Council's intention to use income from these funds as necessary to meet the specific purpose of the Council. Board-designated endowment funds were \$372,351 and \$368,509 as of December 31, 2024 and 2023, respectively.

[16] Donor-restricted endowment fund:

Investment income and investment gains earned on net assets with donor restrictions are recorded as net assets with donor restrictions until they are appropriated for expenditure by the Board and then transferred to net assets without donor restrictions for use in operations. The use of net assets with donor restrictions and related income and gains is limited by Commonwealth of Pennsylvania Act 141.

[17] Concentrations of credit risk:

The Council maintains cash balances in several financial institutions. Accounts at each of the institutions are insured by the Federal Deposit Insurance Corporation. At times during the year, individual accounts may exceed the federally insured limit. Management does not believe there is any credit risk at these institutions.

[18] Estimates:

The presentation of financial statements in conformity 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[19] Functional allocation of expenses:

The costs of providing the various programs and supporting services have been summarized on the statements of activities and changes in net assets on a functional basis. Most expenses can be directly allocated to one of the programs or supporting functions. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses in this category include occupancy, depreciation, supplies, insurance, and employee compensation, including salaries, employee benefits, payroll taxes and, employee related expenses. The basis of allocation of these expenses is the result of a time study of staff performed every three years. The percentage of time allocated to each of the programs and the supporting functions is based on the average of the results of four separate studies and is applied to the expenses that are allocated. In accordance with the policy of the National Council, BSA, the payment of the charter fee to the National Council, BSA are included as management and general on the statements of functional expenses.

[20] Federal tax status:

The Internal Revenue Service has classified the Council as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("Code"); as an organization, contributions to which are deductible under Section 170(c) of the Code; and as an organization that is not a private foundation as defined in Section 509(a) of the Code.

U.S. GAAP requires management to evaluate tax positions taken and recognize a tax liability, if the Council has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the Council and has concluded that as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Council recognizes accrued interest and penalties associated with uncertain tax positions, if any. There were no income tax related interest and penalties recorded for either of the years ended December 31, 2024 or 2023.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

**Notes to Financial Statements
December 31, 2024 and 2023**

NOTE C - LIQUIDITY AND AVAILABILITY

The Council's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, are as follows as of December 31, 2024 and 2023:

	December 31,	
	2024	2023
Financial assets deemed available:		
Operating fund:		
Cash and cash equivalents	\$ 457,668	\$ 656,788
Short-term investments	3,292	3,691
Accounts receivable	22,351	5,748
Financial assets deemed available as of year-end	483,311	666,227
Appropriation of endowment assets for general expenditure in subsequent year	90,452	90,050
Total financial assets available to meet general expenditures within the next 12 months	\$ 573,763	\$ 756,277

The Council's endowment funds consist of donor-restricted endowments and a Board-designated endowment. Income from endowments is available for general expenditure. As of December 31, 2024 and 2023, \$90,452 and \$90,050, respectively, of appropriations will be available within the next 12 months.

The Council's capital fund consists of financial assets to be expended for property, buildings, and equipment and related debt payments. These financial assets are not available for general expenditure.

As part of the Council's liquidity management plan, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Council invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Council has two lines-of-credit in the amounts of \$150,000 and \$725,000, which could be drawn upon (see Note I). Additionally, the Council has Board-designated endowments of \$372,351 and \$368,509 as of December 31, 2024 and 2023, respectively. Although the Council does not intend to spend from its Board-designated endowments, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its Board-designated endowment could be made available, if necessary.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE D - INVENTORIES

The following is a summary of inventories as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Council scout shop	\$ 109,962	\$ 129,027
Camp trading post	<u>31,088</u>	<u>36,084</u>
	<u>\$ 141,050</u>	<u>\$ 165,111</u>

NOTE E - PLEDGES RECEIVABLE

Pledges receivable as of December 31, 2024 and 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Unconditional promises expected to be collected:		
Less than one year	\$ 43,000	\$ 41,500
One to five years	<u>24,000</u>	<u>66,000</u>
Total gross pledges	<u>\$ 67,000</u>	<u>\$ 107,500</u>

Unconditional promises expected to be collected after one year have not been discounted by management. Impact is immaterial to financial statements.

NOTE F - LAND, BUILDINGS AND EQUIPMENT

The following is a summary of land, buildings and equipment as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Land and land improvements	\$ 587,298	\$ 587,298
Buildings	3,100,305	3,071,498
Furniture, fixtures and equipment	1,573,355	1,573,355
Construction in progress	<u>374,728</u>	<u>371,544</u>
	5,635,686	5,603,695
Less: accumulated depreciation	<u>2,994,550</u>	<u>2,887,564</u>
	<u>\$ 2,641,136</u>	<u>\$ 2,716,131</u>

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE F - LAND, BUILDINGS AND EQUIPMENT (CONTINUED)

Depreciation for the years ended December 31, 2024 and 2023 was \$106,986 and \$97,429, respectively.

As of December 31, 2024 and 2023, construction in progress consisted primarily of various costs associated with the development of a new well project. This project does not yet have an expected completion date. The costs are being funded through operating cash, investments, and donor contributions.

NOTE G - INVESTMENTS

Investments as of December 31, 2024 and 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Corporate stock	\$ 1,615,358	\$ 1,481,487
Exchange-traded funds	459,117	491,971
Funds held in trust by others	<u>99,463</u>	<u>99,101</u>
	2,173,938	2,072,559
Invested cash	<u>108,020</u>	<u>92,817</u>
	<u>\$ 2,281,958</u>	<u>\$ 2,165,376</u>
Short-term investments	\$ 25,749	\$ 25,898
Long-term investments	2,156,746	2,040,377
Beneficial interest in split interest agreement	<u>99,463</u>	<u>99,101</u>
	<u>\$ 2,281,958</u>	<u>\$ 2,165,376</u>

Investment income, net from investments and other interest-bearing accounts for the years ended December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 63,785	\$ 64,736
Realized gain	75,293	88,458
Unrealized gain	84,573	65,723
Change in value of split interest agreement	362	(3,471)
Investment fees	<u>(26,074)</u>	<u>(19,126)</u>
	<u>\$ 197,939</u>	<u>\$ 196,320</u>
Investment income, net - without donor restrictions	\$ 103,108	\$ 105,139
Investment income, net - with donor restrictions	<u>94,831</u>	<u>91,181</u>
	<u>\$ 197,939</u>	<u>\$ 196,320</u>

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE H - FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, and defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) inputs other than quoted prices that are observable for the asset or liability; or (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Assets utilizing Level 3 inputs are funds held in trust by others.

The financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying assets.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of December 31, 2024 or 2023.

Corporate stock - Valued at the closing market price on the stock exchange where it is traded.

Exchange-traded funds - Valued at the net asset value of the shares held by the Council at year-end.

Funds held in trust by others - Valued at management's estimated fair value based on amounts provided by third parties who hold the funds.

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

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE H - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth, by level, the Council's assets at fair value, within the aforementioned fair value hierarchy, as of December 31, 2024 and 2023:

	2024			Total
	Level 1	Level 2	Level 3	
Corporate stock	\$ 1,615,358	\$ -	\$ -	\$ 1,615,358
Exchange-traded funds:				
Equities	459,117	-	-	459,117
Funds held in trust by others	-	-	99,463	99,463
Total assets at fair value	\$ 2,074,475	\$ -	\$ 99,463	\$ 2,173,938

	2023			Total
	Level 1	Level 2	Level 3	
Corporate stock	\$ 1,481,487	\$ -	\$ -	\$ 1,481,487
Exchange-traded funds:				
Equities	491,971	-	-	491,971
Funds held in trust by others	-	-	99,101	99,101
Total assets at fair value	\$ 1,973,458	\$ -	\$ 99,101	\$ 2,072,559

Changes in fair value levels:

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. For the years ended December 31, 2024 and 2023, there were no transfers into or out of Levels 1, 2 or 3.

The following summarizes Level 3 reconciliations:

	Funds Held in Trust by Others for the Year Ended December 31,	
	2024	2023
Beginning balance	\$ 99,101	\$ 102,572
Change in value of split interest agreement	362	(3,471)
Ending balance	\$ 99,463	\$ 99,101

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE I - LINES-OF-CREDIT

In June 2019, the Council entered into a LOC agreement with The Haverford Trust Company (“HTC”). This LOC had a limit of \$275,000. During October 2022, the amount of the LOC available for use by the Council was lowered to \$150,000. The LOC is collateralized by a portion of the Council's holdings at HTC and is payable on demand. The LOC bears interest at prime less 1.25% (prime was 7.50% and 8.50% as of December 31, 2024 and 2023, respectively). As of December 31, 2024 and 2023, there were no outstanding borrowings on the LOC.

In November 2022, the Council entered into a LOC agreement with Penn Community Bank. This LOC has a limit of \$725,000. The LOC is collateralized by property at 5787 State Park Road and is payable on demand. The LOC bears interest at prime plus 0.50% (prime was 7.50% and 8.50% as of December 31, 2024 and 2023, respectively). As of December 31, 2024 and 2023, there were outstanding borrowings on the LOC of \$255,000 and \$330,000, respectively.

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31, 2024 and 2023:

	2024			
	Operating Fund	Capital Fund	Endowment Fund	Total
Subject to expenditures for specified purpose:				
Camperships	\$ 110,849	\$ -	\$ -	\$ 110,849
Scoutreach	6,361	-	-	6,361
FlagPlaza/Brick Walkway	-	46,601	-	46,601
Various projects	4,678	59,764	-	64,442
	<u>121,888</u>	<u>106,365</u>	<u>-</u>	<u>228,253</u>
Subject to the passage of time:				
Pool replacement	-	67,000	-	67,000
	<u>-</u>	<u>67,000</u>	<u>-</u>	<u>67,000</u>
Endowments:				
Subject to appropriation and expenditure when a specified event occurs:				
General use	-	-	5,537	5,537
Restricted by Pennsylvania Statute	-	-	333,106	333,106
	<u>-</u>	<u>-</u>	<u>338,643</u>	<u>338,643</u>
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation:				
General use	-	-	293,752	293,752
Restricted by Pennsylvania Statute	-	-	1,097,724	1,097,724
	<u>-</u>	<u>-</u>	<u>1,391,476</u>	<u>1,391,476</u>
Total endowments	<u>-</u>	<u>-</u>	<u>1,730,119</u>	<u>1,730,119</u>
	<u>\$ 121,888</u>	<u>\$ 173,365</u>	<u>\$ 1,730,119</u>	<u>\$ 2,025,372</u>

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

**Notes to Financial Statements
December 31, 2024 and 2023**

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

	2023			
	Operating Fund	Capital Fund	Endowment Fund	Total
Subject to expenditures for specified purpose:				
Camperships	\$ 105,534	\$ -	\$ -	\$ 105,534
Scoutreach	6,361	-	-	6,361
FlagPlaza/Brick Walkway	-	44,367	-	44,367
Various projects	5,764	45,646	-	51,410
	<u>117,659</u>	<u>90,013</u>	<u>-</u>	<u>207,672</u>
Subject to the passage of time:				
Pool replacement	-	107,500	-	107,500
	<u>-</u>	<u>107,500</u>	<u>-</u>	<u>107,500</u>
Endowments:				
Subject to appropriation and expenditure when a specified event occurs:				
General use	-	-	5,538	5,538
Restricted by Pennsylvania Statute	-	-	239,972	239,972
	<u>-</u>	<u>-</u>	<u>245,510</u>	<u>245,510</u>
Perpetual in nature, earnings from which are subject to endowment spending policy and appropriation:				
General use	-	-	293,752	293,752
Restricted by Pennsylvania Statute	-	-	1,089,120	1,089,120
	<u>-</u>	<u>-</u>	<u>1,382,872</u>	<u>1,382,872</u>
Total endowments	<u>-</u>	<u>-</u>	<u>1,628,382</u>	<u>1,628,382</u>
	<u>\$ 117,659</u>	<u>\$ 197,513</u>	<u>\$ 1,628,382</u>	<u>\$ 1,943,554</u>

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE J - NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by the donors as follows for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Satisfaction of purpose restrictions:		
Camperships	\$ 16,081	\$ 13,853
Scoutreach	-	1,228
Pool replacement	-	144,943
Various projects	<u>44,556</u>	<u>7,684</u>
	<u>60,637</u>	<u>167,708</u>
Expiration of time restrictions:		
Friends of Scouting	-	12,892
Pool replacement	<u>40,500</u>	<u>-</u>
	<u>40,500</u>	<u>12,892</u>
Appropriation from donor endowment in satisfaction of donor and legal restrictions:		
In accordance with Pennsylvania Statute	<u>1,200</u>	<u>-</u>
	<u>\$ 102,337</u>	<u>\$ 180,600</u>

NOTE K - ENDOWMENT AND BOARD-DESIGNATED FUNDS

The Council's endowment funds include both donor-restricted endowment funds (net assets with donor restrictions) and funds designated by the Board of Directors to function as endowments (net assets without donor restrictions). The income from these funds can be used for general purposes, or in accordance with Pennsylvania Statute. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Council has interpreted the Commonwealth of Pennsylvania state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Council classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment funds is classified as net assets with donor restrictions until those amounts are appropriated by the Board for expenditure in a manner consistent with state law.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE K - ENDOWMENT AND BOARD-DESIGNATED FUNDS (CONTINUED)

The Council's endowment and Board-designated net assets had the following activity for the years ended December 31, 2024 and 2023:

	2024				
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions			Total
	Board- Designated	Subject to Appropriation	Perpetual in Nature	Subtotal	
Endowment and Board-designated funds at beginning of year	\$ 368,509	\$ 245,510	\$ 1,382,872	\$ 1,628,382	\$ 1,996,891
Investment return	41,694	94,333	-	94,333	136,027
Change in value of split interest agreements	-	-	362	362	362
Contributions	-	-	8,242	8,242	8,242
Appropriation of endowment assets pursuant to spending rate policy	-	(1,200)	-	(1,200)	(1,200)
Distribution from Board-designated endowment pursuant to distribution policy	(37,852)	-	-	-	(37,852)
Change in net assets	3,842	93,133	8,604	101,737	105,579
Endowment and Board-designated funds at end of year	\$ 372,351	\$ 338,643	\$ 1,391,476	\$ 1,730,119	\$ 2,102,470
	2023				
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions			Total
	Board- Designated	Subject to Appropriation	Perpetual in Nature	Subtotal	
Endowment and Board-designated funds at beginning of year	\$ 369,288	\$ 151,161	\$ 1,376,813	\$ 1,527,974	\$ 1,897,262
Investment return	34,149	94,349	-	94,349	128,498
Change in value of split interest agreements	-	-	(3,471)	(3,471)	(3,471)
Contributions	-	-	9,530	9,530	9,530
Distribution from Board-designated endowment pursuant to distribution policy	(34,928)	-	-	-	(34,928)
Change in net assets	(779)	94,349	6,059	100,408	99,629
Endowment and Board-designated funds at end of year	\$ 368,509	\$ 245,510	\$ 1,382,872	\$ 1,628,382	\$ 1,996,891

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE K - ENDOWMENT AND BOARD-DESIGNATED FUNDS (CONTINUED)

Endowment and Board-designated funds had the following net asset compositions as of December 31, 2024 and 2023:

	2024		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Board-designated endowment funds	\$ 372,351	\$ -	\$ 372,351
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amount required to be maintained in perpetuity by donor	-	1,391,476	1,391,476
Accumulated investment gains	-	338,643	338,643
Total endowment funds	<u>\$ 372,351</u>	<u>\$ 1,730,119</u>	<u>\$ 2,102,470</u>
	2023		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Board-designated endowment funds	\$ 368,509	\$ -	\$ 368,509
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amount required to be maintained in perpetuity by donor	-	1,382,872	1,382,872
Accumulated investment gains	-	245,510	245,510
Total endowment funds	<u>\$ 368,509</u>	<u>\$ 1,628,382</u>	<u>\$ 1,996,891</u>

[1] Return objectives and risk parameters:

The Board of Directors has adopted investment and spending policies for endowment and Board-designated assets that attempt to provide a relatively predictable and growing stream of annual distribution in support of the Council while preserving the long-term, real purchasing power of assets. An additional purpose of the funds is to provide a source of funds for a time when the Council may face a financial emergency, subject to any funds being utilized in such a manner which is consistent with the original donor restrictions.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE K - ENDOWMENT AND BOARD-DESIGNATED FUNDS (CONTINUED)

[2] Strategies employed for achieving objectives:

To satisfy its long-term rate-of-return objectives, the Council 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 Board of Directors has approved an asset allocation policy consisting of 55%-75% equities, with the balance of the funds in fixed income and cash.

Total return is defined as capital gains, realized and unrealized, plus income derived from dividends and interest. It is recognized that economic and securities' market conditions are not constant, but ever changing and, as a result, periodic portfolio rebalancing will be required to maintain asset allocation.

[3] Spending policy and how the investment objectives relate to spending policy:

This policy is limited by Commonwealth of Pennsylvania Act 141 and at the direction of the Board of Directors. Each year, the Council's Board of Directors determines the amount that can be spent, subject to donor restrictions. Annual withdrawals from the endowment trust cannot exceed 5% of the Council's investable asset value. The 5% spending objective is determined based on a three-year rolling average calculated using the market value of the endowment trust as of September 30. Pursuant to the Commonwealth of Pennsylvania law and at the direction of the Board of Directors, \$1,200 and \$0- was distributed for unrestricted purposes and has been reported as net assets released from restriction in the accompanying statements of activities and changes in net assets for the years ended December 31, 2024 and 2023.

In addition, at the direction of the board of directors, \$37,852 and \$34,928 was distributed for unrestricted purposes from Board-designated funds for the years ended December 31, 2024 and 2023.

NOTE L - RETIREMENT PLANS

BSA Retirement Plan for Employees

The National Council, BSA has a qualified defined-benefit pension plan (the "plan") administered at the National Service Center that covers employees of the National Council, BSA and local councils, including the Council. The plan name is the Boy Scouts of America Master Pension Trust - Boy Scouts of America Retirement Plan for Employees. Effective December 31, 2018, the plan was frozen to employees with less than 15 years of vesting service, and whose age plus vesting service equaled less than 60 as of December 31, 2018 (nongrandfathered employees). From January 1, 2020 through July 31, 2020, employees with at least 15 years of vesting service and whose age plus vesting service equaled 60 or more as of December 31, 2018 (grandfathered employees) contributed 4.25% of compensation to the plan. Effective August 1, 2020, the plan was frozen to grandfathered employees, thereby freezing the plan for all BSA employees. The Council contributes 7.75% of eligible employees' compensation to the BSA retirement program. Pension expense was approximately \$72,000 and \$71,000 as of December 31, 2024 and 2023, respectively, and covered current service cost. The actuarial information for the plan as of February 1, 2024 indicates that it is in compliance with ERISA regulations regarding funding.

WASHINGTON CROSSING COUNCIL, BOY SCOUTS OF AMERICA

Notes to Financial Statements December 31, 2024 and 2023

NOTE L - RETIREMENT PLANS (CONTINUED)

BSA Match Savings Plan

The Council participates in a 403(b) defined contribution plan established by the National Council, BSA. The plan name is the BSA Match Savings Plan, which covers all full-time employees of the Council. Participants in the BSA Match Savings Plan may elect to make voluntary before-tax contributions based on a percentage of their pay, subject to certain limitations set forth in the Internal Revenue Code of 1986, as amended. The Council makes a matching contribution on employee eligible compensation. The Council contributed approximately \$26,000 and \$25,000 to the BSA Match Savings Plan for the years ended December 31, 2024 and 2023, respectively.

NOTE M - CONCENTRATIONS OF CREDIT RISK

The Council maintains its cash in bank accounts in amounts which, at times, may exceed federally insured limits. The Council has not experienced any losses in such accounts, and management believes that the Council is not exposed to any significant risk of loss on these accounts.

NOTE N - SUBSEQUENT EVENTS

The Council has evaluated subsequent events through November 10, 2025, which is the date the financial statements were available to be issued.