

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Consolidated Financial Report
December 31, 2019

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Independent Auditor's Report

RSM US LLP

Board of Directors
Boys & Girls Clubs of Greater Washington, Inc.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Boys & Girls Clubs of Greater Washington, Inc. and Affiliate (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Boys & Girls Clubs of Greater Washington, Inc. and Affiliate as of December 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP

Washington, D.C.
April 23, 2021

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

**Consolidated Statements of Financial Position
December 31, 2019 and 2018**

	2019	2018
Assets		
Cash and cash equivalents	\$ 1,774,714	\$ 2,608,496
Restricted cash	270,000	270,000
Investments	1,185,143	1,022,638
Receivables, net	1,358,928	646,850
Deposits and other assets	121,007	107,983
Lease asset	2,451,124	2,481,557
Property and equipment, net	11,132,799	11,421,246
	<hr/>	<hr/>
Total assets	\$ 18,293,715	\$ 18,558,770
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,329,943	\$ 1,078,072
Deferred revenue	99,455	-
Notes payable	1,579,250	1,715,512
Total liabilities	<hr/> 3,008,648	<hr/> 2,793,584
Net assets:		
Without donor restrictions	13,519,032	14,024,332
With donor restrictions	1,766,035	1,740,854
Total net assets	<hr/> 15,285,067	<hr/> 15,765,186
	<hr/>	<hr/>
Total liabilities and net assets	\$ 18,293,715	\$ 18,558,770

See notes to consolidated financial statements.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

**Consolidated Statements of Activities
Years Ended December 31, 2019 and 2018**

	2019	2018
Activities without donor restrictions:		
Revenue and support:		
Special events	\$ 2,059,611	\$ 1,718,344
Costs of direct benefits to donors	(343,532)	(405,016)
Special events, net	1,716,079	1,313,328
Contributions	4,098,963	3,709,337
Program service fees	1,804,412	1,797,512
Government grants	1,351,211	1,580,022
Rental and other income	191,350	170,088
Membership dues	113,856	163,921
Investment income (loss), net	155,870	(28,406)
Net assets released from restrictions	1,305,731	2,492,758
Total revenue and support	10,737,472	11,198,560
Expenses:		
Program services:		
Camps	3,596,809	2,953,009
Child care	4,393,870	3,374,014
After school	743,384	1,366,075
Supporting services:		
Management and general	1,757,917	1,973,008
Fundraising	750,792	659,156
Total expenses	11,242,772	10,325,262
Change in net assets without donor restrictions	(505,300)	873,298
Activities with donor restrictions:		
Contributions	1,254,277	2,527,981
Investment income (loss), net	76,635	(23,629)
Net assets released from restrictions	(1,305,731)	(2,492,758)
Change in net assets with donor restrictions	25,181	11,594
Change in net assets	(480,119)	884,892
Net assets:		
Beginning	15,765,186	14,880,294
Ending	\$ 15,285,067	\$ 15,765,186

See notes to consolidated financial statements.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

**Consolidated Statement of Functional Expenses
Year Ended December 31, 2019**

	Program Services					Supporting Services				Total
	BGCGW			Foundation	Subtotal	Management and General	Fundraising	Subtotal		
	Camps	Child Care	After School							
Salaries	\$ 1,786,206	\$ 2,183,060	\$ 369,149	\$ -	\$ 4,338,415	\$ 1,012,959	\$ 548,321	\$ 1,561,280	\$ 5,899,695	
Employee benefits	166,628	203,898	34,479	-	405,005	94,610	51,213	145,823	550,828	
Payroll taxes	125,940	153,921	26,028	-	305,889	94,487	39,484	133,971	439,860	
Total salaries and related	2,078,774	2,540,879	429,656	-	5,049,309	1,202,056	639,018	1,841,074	6,890,383	
Professional fees	147,390	180,136	30,461	-	357,987	208,715	13,733	222,448	580,435	
Occupancy	465,035	568,355	96,107	-	1,129,497	92,749	28,130	120,879	1,250,376	
Travel	165,694	202,508	34,243	-	402,445	6,020	3,391	9,411	411,856	
Supplies	238,481	291,466	49,286	-	579,233	1,789	18,251	20,040	599,273	
Interest	38,228	46,722	7,901	-	92,851	19,768	-	19,768	112,619	
Telephone	109,203	133,466	22,569	-	265,238	60,823	12,583	73,406	338,644	
Bank and other related fees	18,095	22,115	3,740	-	43,950	58,481	8,812	67,293	111,243	
Training, conferences and meetings	26,418	32,287	5,460	-	64,165	19,052	3,660	22,712	86,877	
Miscellaneous	18,312	20,061	3,784	-	42,157	12,233	10,488	22,721	64,878	
Registration fees and trophies/awards	1,788	2,186	370	-	4,344	-	-	-	4,344	
Printing and publications	926	1,131	191	-	2,248	10,972	7,823	18,795	21,043	
Clothing	11,813	14,437	2,441	-	28,691	-	-	-	28,691	
Postage and shipping	667	816	138	-	1,621	1,919	756	2,675	4,296	
Scholarships	213	261	44	-	518	7,100	4,147	11,247	11,765	
Fines and penalties	100	123	21	-	244	18,854	-	18,854	19,098	
Depreciation	275,672	336,921	56,972	-	669,565	37,386	-	37,386	706,951	
Total expenses	\$ 3,596,809	\$ 4,393,870	\$ 743,384	\$ -	\$ 8,734,063	\$ 1,757,917	\$ 750,792	\$ 2,508,709	\$ 11,242,772	

See notes to consolidated financial statements.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Consolidated Statement of Functional Expenses

Year Ended December 31, 2018

	Program Services					Supporting Services			Total
	BGGCW			Foundation	Subtotal	Management and General	Fundraising	Subtotal	
	Camps	Child Care	After School						
Salaries	\$ 1,448,762	\$ 1,656,326	\$ 670,358	\$ -	\$ 3,775,446	\$ 909,408	\$ 398,177	\$ 1,307,585	\$ 5,083,031
Employee benefits	172,239	196,915	79,697	-	448,851	108,117	47,337	155,454	604,305
Payroll taxes	109,523	125,214	50,677	-	285,414	55,816	27,525	83,341	368,755
Total salaries and related	1,730,524	1,978,455	800,732	-	4,509,711	1,073,341	473,039	1,546,380	6,056,091
Professional fees	82,459	94,273	38,155	-	214,887	484,575	123,312	607,887	822,774
Occupancy	442,355	504,436	204,683	-	1,151,474	198,253	16,739	214,992	1,366,466
Travel	158,554	181,270	73,365	-	413,189	18,517	6,076	24,593	437,782
Supplies	153,502	175,494	71,027	-	400,023	6,935	4,210	11,145	411,168
Interest	44,514	50,892	20,597	-	116,003	7,883	-	7,883	123,886
Telephone	15,360	17,561	7,107	-	40,028	59,305	1,284	60,589	100,617
Bank and other related fees	13,503	15,437	6,248	-	35,188	43,315	17,741	61,056	96,244
Training, conferences and meetings	39,847	45,556	18,436	-	103,839	17,470	2,766	20,236	124,075
Miscellaneous	14,090	16,109	6,520	-	36,719	4,086	3,626	7,712	44,431
Registration fees and trophies/awards	4,714	4,612	1,867	-	11,193	-	-	-	11,193
Printing and publications	2,804	3,206	1,298	-	7,308	849	4,554	5,403	12,711
Clothing	10,611	12,131	4,910	-	27,652	-	-	-	27,652
Postage and shipping	215	246	100	-	561	1,363	612	1,975	2,536
Scholarships	1,336	1,528	618	-	3,482	-	-	-	3,482
Fines and penalties	42	48	19	-	109	833	-	833	942
Depreciation	238,579	272,760	110,393	-	621,732	56,283	5,197	61,480	683,212
Total expenses	\$ 2,953,009	\$ 3,374,014	\$ 1,366,075	\$ -	\$ 7,693,098	\$ 1,973,008	\$ 659,156	\$ 2,632,164	\$ 10,325,262

See notes to consolidated financial statements.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Consolidated Statements of Cash Flows
Years Ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ (480,119)	\$ 884,892
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Realized and unrealized (gain) loss on investments	(188,961)	63,220
Amortization of lease asset	30,433	30,432
Depreciation	706,951	683,212
Donated securities not immediately liquidated	(14,894)	(122,816)
Changes in assets and liabilities:		
(Increase) decrease in:		
Receivables	(712,078)	(459,411)
Deposits and other assets	(13,024)	28,728
Increase (decrease) in:		
Accounts payable and accrued expenses	251,871	(426,909)
Deferred revenue	99,455	-
Net cash (used in) provided by operating activities	(320,366)	681,348
Cash flows from investing activities:		
Purchases of investments	(114,956)	(13,707)
Sales of investments	156,306	16,430
Purchases of property and equipment	(418,504)	(528,174)
Net cash used in investing activities	(377,154)	(525,451)
Cash flows from financing activities:		
Principal payments on notes payable	(136,262)	(147,615)
Net cash used in financing activities	(136,262)	(147,615)
Net (decrease) increase in cash, cash equivalents and restricted cash	(833,782)	8,282
Cash, cash equivalents and restricted cash		
Beginning	2,878,496	2,870,214
Ending	\$ 2,044,714	\$ 2,878,496
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ 112,619	\$ 123,886

See notes to consolidated financial statements.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Boys & Girls Clubs of Greater Washington, Inc. and Affiliate (collectively, the Organization) is comprised of two entities: Boys & Girls Clubs of Greater Washington, Inc. (BGCGW) and Boys & Girls Clubs of Greater Washington Foundation (Foundation). BGCGW is a District of Columbia nonprofit organization, incorporated in 1886, which is committed to helping youth of all backgrounds, with emphasis on at-risk youth, to develop the qualities needed to become productive, civic-minded and responsible citizens and leaders.

The Foundation is a District of Columbia nonprofit organization, incorporated in 1945, which is devoted to the promotion and support of BGCGW and its various individual clubs.

Clubs: BGCGW provides services at various sites in the following Washington, D.C. metropolitan areas.

District of Columbia	Maryland	Virginia	Total
4	4	7	15

Program services: The Organization provides programming to youth in three settings: child care, camps, and after school. The following five core developmental areas are included in each of the three program service area settings.

- **Education and Career Development:** A top priority in all clubs, programs in this core area help members succeed in school and apply their knowledge and skills to daily challenges. Through activities that are educational and engaging, club members gain the strength they need to achieve their goals.
- **Character and Leadership Development:** Empowering youth to become leaders, the Organization provides opportunities for members to sustain meaningful relationships, develop a positive self- image, participate in the democratic process, and respect their own and others' cultural identities.
- **The Arts:** Youth who are engaged in arts programs do better in school and in their personal lives. Participation in the Arts promotes self-expression and young people gain the confidence, self-esteem, and motivation needed to reach their full potential.
- **Health and Life Skills:** Today's youth face overwhelming obstacles that affect their health and well-being. The Organization gives them the tools and the strength to engage in positive behaviors and good decision-making. Programs focus on building self-esteem, and deal with drug and violence prevention, teen pregnancy and disease prevention, fitness and wellness. The Organization helps club members set personal goals and establish a foundation to live as self-sufficient, healthy and wise adults.
- **Sports, fitness and recreation:** The Organization sports programming gives members a way to channel their energy and enjoy opportunities to play in a safe environment. Through sports, children learn teamwork, leadership and responsibility. They experience the rewards of hard work, develop a love for sports and exercise and learn the benefits of friendly competition. Through recreational games, youth elevate their self-esteem and learn the importance of balancing serious and fun activities. Field trips and specialty programs provide members with opportunities to try something entirely new or different, or to gain more experiences in a specific area.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

A summary of the Organization's significant accounting policies follows:

Principles of consolidation: The accompanying consolidated financial statements include the accounts of BGCGW and the Foundation. All significant intercompany balances and transactions have been eliminated in the consolidation.

Basis of presentation: The consolidated financial statements presentation follows the recommendation of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Non-profit Entities Topic of the FASB ASC, the Organization is required to report information regarding its financial position and activities according to two classes to net assets, as follows:

Net assets without donor restrictions: Net assets without donor restrictions include undesignated funds that are available for the support of the Organization's activities and not subject to donor-imposed restrictions.

Net assets with donor restrictions: Net assets with donor restrictions represent the portion of net assets whose use by the Organization has been restricted by donors with specified time or purpose limitations.

Cash and cash equivalents: The Organization considers all highly liquid debt instruments with a maturity of three months or less at the time of purchase to be cash and cash equivalents. Cash and cash equivalents held in investment portfolios are classified as investments.

Restricted cash: Restricted cash relates to the lending bank's requirement related to the notes payable, which are discussed in Note 6, that BGCGW maintain a segregated cash account in the amount of \$270,000 at December 31, 2019 and 2018 in accordance with the terms of the notes payable agreements.

Financial risk: The Organization maintains cash in bank deposit accounts which, at times, may exceed federally-insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant financial risk on cash.

The Organization invests in a professionally managed portfolio that contains money market funds, common stocks and mutual funds. Such investments are exposed to various risk, such as market and credit risk. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near-term could materially affect investment balances and the amounts reported in the consolidated financial statements.

Investments: Investments in marketable equity and debt securities are reflected at fair value. To adjust the carrying value of these investments, the change in fair value is recorded as a component of investment income or loss in the consolidated statements of activities.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Receivables: Receivables are carried at original invoice or claim amounts, less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and using historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. Management believes receivables are fully collectible and thus has not recorded an allowance for doubtful receivables for the years ended December 31, 2019 and 2018.

Promises to give: Contributions are recognized when the donor makes a gift or written promise to give that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Property and equipment: Property and equipment are recorded at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the related asset, ranging from three to 50 years. Normal repairs and maintenance are expensed as incurred. The Organization capitalizes all property and equipment purchased with a cost of \$3,000 or more.

Valuation of long-lived assets: The Organization accounts for the subsequent measurement of certain long-lived assets in accordance with subsections of the FASB ASC Topic, Property, Plant and Equipment, that address impairment or disposal of long-lived assets. The accounting standard requires that Property, Plant and Equipment, and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Revenue recognition: Unconditional contributions are recognized as revenue upon receipt or when unconditional promises to give are received. Contribution revenue is recorded as increases in net assets without donor restrictions, unless their use is limited by time or donor-imposed restrictions.

Conditional contributions, which can include certain government and foundation grants, are recognized when donor-imposed conditions are met. These revenues are subject to right of return if funds are not spent and also have barriers that must be met in order to be entitled to the funds. Most conditional grants are recognized as qualifying expenditures are incurred. Accordingly, amounts received, but not yet recognized as revenue, are classified as deferred revenue in the statements of financial position. There are \$1,179,868 of additional revenues to be earned on various conditional grants as of December 31, 2019.

Contributions of assets other than cash are recorded at their estimated fair value at the date of gift. Generally, it is BGCWG's policy to liquidate donated securities immediately.

Special event revenue: Revenue and support from special events are typically comprised of two parts: an exchange component (for valued received) and a non-exchange component (contribution). The exchange component is recognized at the time goods and/or services are provided. The contribution component is recognized consistent with the Organization's revenue policy for contribution income. Typically, the non-exchange component is determined to be conditional support and recognized as conditions are met associated with the special event.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Costs of direct benefits to donors: Costs of direct benefits to donors include: (1) the venue, entertainment, and refreshments provided to participants at major fund-raising dinners and (2) the refreshments or other items provided to participants at other fund-raising events.

Program service revenue: Revenue from fee for service programs are recognized as services are performed. Cash received prior to services being performed are recorded as deferred revenue.

Functional allocation of expense: The costs of providing program and supporting services activities have been summarized on a functional basis in the accompanying consolidated financial statements. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Tax status: BCGGW and the Foundation are both tax-exempt organizations under Section 501(c)(3) of the IRC and are not considered to be a private foundations. Both entities are exempt from federal taxes on income other than unrelated business income. The Organization did not have any net unrelated business income for the years ended December 31, 2019 and 2018.

The Organization follows the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

The Organization files income tax returns in the U.S. federal jurisdiction. As of December 31, 2019 and 2018, there were no material unrecognized/derecognized tax benefits or tax penalties or interest. Generally, the Organization is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2016.

Use of estimates: The preparation of consolidated financial statements in conformity with United States generally accepted accounting principles (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Adopted accounting pronouncements: In June 2018, the FASB issued Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU clarifies the guidance for evaluating whether a transaction is reciprocal (i.e., an exchange transaction) or nonreciprocal (i.e., a contribution) and for distinguishing between conditional and unconditional contributions. The ASU also clarifies the guidance used by entities other than not-for-profits to identify and account for contributions made. The ASU has different effective dates for resource recipients and resource providers. Where the Organization is a resource recipient, the ASU is applicable to contributions received for the fiscal year ended December 31, 2019 and the Organization adopted this amendment on a modified prospective basis. The adoption did not have a material impact on the reported net assets as of January 1, 2018 or December 31, 2019. Where the Organization is a resource provider, the ASU is effective for the fiscal year ending December 31, 2020. The Organization is in the process of evaluating the impact of this new guidance for resource providers but does expect there to be a material impact.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash (a consensus of the FASB Emerging Issues Task Force)*, which provides guidance on the presentation of restricted cash or restricted cash equivalents in the statements of cash flows. The ASU is effective for the fiscal year ended December 31, 2019. The Organization adopted this accounting standard in the current year using the retrospective transition method.

Pending accounting pronouncements: In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The amendments in this ASU create Topic 606, *Revenue from Contracts with Customers*, and supersede the revenue recognition requirements in Topic 605, *Revenue Recognition*, including most industry-specific revenue recognition guidance throughout the Industry Topics of the ASC. In summary, the core principle of Topic 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The amendments in this ASU are effective for the Organization for fiscal years beginning January 1, 2020. The Organization is currently evaluating the impact of the pending adoption of the new standard on its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating with classification affecting the pattern of expense recognition in the income statements. The new standard is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization is currently evaluating the impact of the pending adoption of the new standard on the financial statements.

In July 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The amendment is intended to increase transparency of contributed nonfinancial assets for not-for-profit entities through enhancements in presentation and disclosure requirements. Entities will now be required to present contributed nonfinancial assets as a separate line item in the statements of activities, apart from contributions of cash and other financial contributions. Entities will also be required to disclose various information related to contributed nonfinancial assets. ASU 2020-07 is effective for fiscal years beginning after June 15, 2021. The Organization is currently in the process of evaluating the impact of the new accounting guidance on the financial statements.

Subsequent events: Subsequent events have been evaluated through April 23, 2021, which is the date the consolidated financial statements were available to be issued.

Note 2. Receivables

Receivables at December 31, 2019 and 2018 are comprised as follows:

	2019	2018
Grants receivable	\$ 793,928	\$ 646,850
Promises to give (all due within one year)	565,000	-
	<u>\$ 1,358,928</u>	<u>\$ 646,850</u>

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 3. Investments

In accordance with U.S. GAAP, the Organization uses the following prioritized input levels to measure fair value of investments recorded at fair value. The input levels used for valuing investments are not necessarily an indication of risk.

Level 1: Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes.

Level 2: Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves or other market data.

Level 3: Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts.

Investments valued using Level 1 inputs include mutual funds and common stocks, the values for which were based on quoted prices for identical assets in active markets.

Investments recorded at cost include cash and cash equivalents. Investments recorded at cost are not required to be classified in one of the levels prescribed by the fair value hierarchy.

Investments at December 31, 2019 and 2018, consist of the following:

	2019	2018
Investments, at fair value (Level 1):		
Mutual funds – equities	\$ 694,406	\$ 591,310
Mutual funds – fixed income	270,171	245,055
Common stocks	32,320	121,990
	<u>996,897</u>	<u>958,355</u>
Investments, at cost:		
Cash and cash equivalents	188,246	64,283
	<u>\$ 1,185,143</u>	<u>\$ 1,022,638</u>

Investment income consisted of the following for the years ended December 31, 2019 and 2018:

	2019	2018
Realized and unrealized gain (loss)	\$ 188,961	\$ (63,220)
Interest and dividends	49,396	17,616
Investment fees	(5,852)	(6,431)
	<u>\$ 232,505</u>	<u>\$ (52,035)</u>

Note 4. Related Party Transactions

Board support: During the years ended December 31, 2019 and 2018, members of the Board of Directors collectively supported the Organization in the approximate amount of \$920,800 and \$630,000, respectively.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 5. Property and Equipment

Property and equipment consisted of the following at December 31, 2019 and 2018:

	2019	2018
Land	\$ 416,851	\$ 416,851
Buildings and improvements	19,103,199	18,918,756
Furniture, fixtures and equipment	1,402,031	1,394,879
Automotive equipment	834,142	607,232
	<u>21,756,223</u>	<u>21,337,718</u>
Less accumulated depreciation	(10,623,424)	(9,916,472)
	<u>\$ 11,132,799</u>	<u>\$ 11,421,246</u>

Note 6. Notes Payable

Hylton: BGCGW has a loan secured by a deed of trust on the improvements made at the Hylton club facility located in Woodbridge, Virginia. The maturity date of the note was to be June 2019. The loan called for monthly payments of principal and interest, at a rate of 4.99%. In addition, the agreement required that BGCGW establish a Payment Reserve Account totaling \$270,000 and stipulated that BGCGW may not access the cash in the account during the term of the note payable. The loan had a balance of \$765,436 at December 31, 2018. On April 22, 2019, the loan was modified which extended the due date to April 17, 2021. The loan had a principal balance of \$747,589 on the modification date. The loan modification maintained the interest rate at 4.99% and calls for 24 monthly fixed payments of \$10,446 and one final payment for the balance of the obligation.

Martin K. Alloy Club of Manassas: BGCGW has a loan which is secured by a deed of trust on the improvements made at the Martin K. Alloy Club of Manassas facility located in Manassas, Virginia. The maturity date of the note was to be March 2019. Payments of principal and interest, at a rate of 5.04%, were due monthly. The loan had a balance of \$950,076 at December 31, 2018. On March 6, 2019, the loan was modified which extended the due date to June 2, 2019. On April 22, 2019, the loan was modified which extended the due date to April 17, 2021. The loan had a principal balance of \$934,168 on the modification date. The loan modification maintained the interest rate at 5.04% and calls for 24 monthly fixed payments of \$11,669 and one final payment for the balance of the obligation.

Both modified loans added a prepayment fee of 2% of the principal prepayment if made between April 22, 2019 and April 22, 2020, and a 1% fee if paid off between April 22, 2020 and April 17, 2021.

In December 2020, subsequent to year-end, the Organizations modified both loans by extending the maturity date to August 31, 2021 and lowering the interest rate to 3.45%.

Guarantee of notes payable: As a part of previous loan modifications, the Foundation signed an agreement with the lending bank to guarantee the notes payable.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 6. Notes Payable (Continued)

Covenants: The terms of both notes originally required compliance with certain financial and non-financial covenants, as stipulated in the loan documents. The April 2019 loan modifications suspended compliance with the financial covenants through the new maturity date but still requires the Organization to provide such information to the bank as scheduled.

Future maturities of principal on the notes payable were as follows at December 31, 2019:

	Hylton	Manassas	Total
Years ending December 31:			
2020	\$ 92,091	\$ 97,121	\$ 189,212
2021	607,729	782,309	1,390,038
	<u>\$ 699,820</u>	<u>\$ 879,430</u>	<u>\$ 1,579,250</u>

Note 7. Net Assets With Donor Restrictions

Net assets with donor restrictions consisted of the following at December 31, 2019 and 2018:

	2019	2018
BGCGW:		
Purpose	\$ 651,577	\$ 1,196,695
Time	565,000	-
Subtotal BGCGW	<u>1,216,577</u>	<u>1,196,695</u>
Foundation:		
Endowment funds	453,624	438,325
Purpose (non-endowment)	95,834	105,834
Subtotal Foundation	<u>549,458</u>	<u>544,159</u>
	<u>\$ 1,766,035</u>	<u>\$ 1,740,854</u>

Net assets with donor restrictions are released from restriction when specified purposes have been fulfilled or when time restrictions expire. Net assets released from restriction consisted of the following for the years ended December 31, 2019 and 2018:

	2019	2018
BGCGW:		
Purpose	\$ 1,234,395	\$ 2,482,758
Subtotal BGCGW	<u>1,234,395</u>	<u>2,482,758</u>
Foundation:		
Purpose (non-endowment)	71,336	10,000
Subtotal Foundation	<u>71,336</u>	<u>10,000</u>
	<u>\$ 1,305,731</u>	<u>\$ 2,492,758</u>

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 8. Endowments

The Foundation's endowments include several traditional donor-restricted endowment funds, which are classified within net assets with donor restrictions. Donor-restricted net assets are required by donor stipulation to be maintained in perpetuity by the Foundation and, in some instances, the donors of these funds have restricted the income for specific uses and these are considered purpose restricted. Certain other endowment contributions were received from various sources without restrictions as to the use of income and these are considered time restricted until appropriated for use by the Board of Directors.

Interpretation of relevant law: The Board of Directors has interpreted the District of Columbia Uniform Prudent Management of Institutional Funds Act of 2007 (DCUPMIFA) 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 Foundation classifies as net assets with donor restrictions: (a) the original value of gifts donated to the 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. Earnings on endowment funds are also classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by DCUPMIFA.

Return objectives and risk parameters: The Foundation's Board of Directors has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under these policies, as approved by the Board of Directors, endowment assets are invested in a manner that is intended to produce returns higher than specified market indices while assuming a moderate level of risk.

Strategies employed for achieving objectives: To satisfy its long-term rate-of-return objectives, the Foundation 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 Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending policy and how the investment objectives relate to spending policy: The Foundation has a policy of appropriating for distribution each year certain amounts as approved by its Board of Directors in the budget. In establishing this policy, the Foundation considered the long-term expected return on its endowment. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor originally contributed as an endowment fund to the Foundation. The Foundation had no funds with deficiencies for the years ending December 31, 2019 and 2018.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 8. Endowments (Continued)

Endowment net assets by donor-restricted fund consist of the following at December 31, 2019 and 2018:

	2019		
	Corpus	Appreciation	Total
Purpose restricted:			
Harry F. Duncan Foundation, Inc.	\$ 50,000	\$ 104,308	\$ 154,308
Charles E. Smith Trust*	-	-	-
Henry Parsons Erwin Scholarship Fund	11,000	17,507	28,507
Sidney L. Hechinger Scholarship Fund	2,885	4,878	7,763
	<u>63,885</u>	<u>126,693</u>	<u>190,578</u>
Time restricted:			
F. Elwood Davis Fund	89,406	40,058	129,464
Harry F. Duncan Foundation, Inc.	50,000	39,782	89,782
William R. Winslow Trust	22,000	17,505	39,505
Franklin Marsh Fund	1,744	1,387	3,131
Ernest E. Norris Fund	648	516	1,164
	<u>163,798</u>	<u>99,248</u>	<u>263,046</u>
	<u>\$ 227,683</u>	<u>\$ 225,941</u>	<u>\$ 453,624</u>
	2018		
	Corpus	Appreciation	Total
Purpose restricted:			
Harry F. Duncan Foundation, Inc.	\$ 50,000	\$ 81,344	\$ 131,344
Charles E. Smith Trust*	27,974	24,234	52,208
Henry Parsons Erwin Scholarship Fund	11,000	13,265	24,265
Sidney L. Hechinger Scholarship Fund	2,885	3,723	6,608
	<u>91,859</u>	<u>122,566</u>	<u>214,425</u>
Time restricted:			
F. Elwood Davis Fund	89,406	20,791	110,197
Harry F. Duncan Foundation, Inc.	50,000	26,421	76,421
William R. Winslow Trust	22,000	11,626	33,626
Franklin Marsh Fund	1,744	921	2,665
Ernest E. Norris Fund	648	343	991
	<u>163,798</u>	<u>60,102</u>	<u>223,900</u>
	<u>\$ 255,657</u>	<u>\$ 182,668</u>	<u>\$ 438,325</u>

* The Charles E. Smith Trust established an endowment fund to support Camp Brown, which was sold in February 2016. In October 2019, the donor released all restrictions on this gift.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 8. Endowments (Continued)

Changes in endowment net assets consisted of the following for the years ending December 31, 2019 and 2018:

	Corpus	Appreciation	Total
December 31, 2017	\$ 255,657	\$ 201,258	\$ 456,915
Investment return (loss)	-	(18,590)	(18,590)
Appropriations	-	-	-
December 31, 2018	255,657	182,668	438,325
Investment return	-	76,635	76,635
Donor releases	(27,974)	(33,362)	(61,336)
Appropriations	-	-	-
December 31, 2019	<u>\$ 227,683</u>	<u>\$ 225,941</u>	<u>\$ 453,624</u>

Note 9. In-Kind Contributions

Recorded amounts: Donated services are recognized as contributions and expensed in accordance with U.S. GAAP, if the services: (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Donated goods are recorded at the estimated fair value of the goods provided to the Organization. Donated long-lived assets are recognized as contributions and capitalized within property and equipment.

The Organization had no recorded in-kind contributions for the years ending December 31, 2019 and 2018.

Unrecorded amounts: The Organization uses certain club facilities on a rent-free basis. Management has determined that no objective basis is available to measure the fair value of the rental of such facilities. Thus, an amount for donated facilities has not been recorded.

The Organization receives donated services from the District of Columbia Metropolitan Police Department in the form of police officers acting as program staff at a number of the Organization's D.C. club facilities. Although such services are important to the mission of the Organization, the services donated by the police officers do not require specialized skills as defined by U.S. GAAP and are, therefore, not recorded in the consolidated financial statements.

The Organization relies on contributions of both time and expertise from its pool of adult volunteers. In particular, volunteers work on the Organization's programs and fund-raising activities. The Organization's volunteers donate many hours of service, the total value of which cannot be easily calculated or estimated, yet these volunteers contribute significantly to the work, impact and success of the Organization. These volunteer services have not been reflected in the accompanying consolidated financial statements because the volunteer services provided do not meet the criteria necessary for recognition.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 10. Retirement Plans

BGCGW has adopted the Boys & Girls Club of America Master Pension Plan and Trust Standardized Plan (the Plan). The Plan is a defined contribution savings plan for employees who meet age and length of service requirements. BGCGW contributes 5% of eligible employees' salaries to the Plan. BGCGW's contributions to the Plan totaled \$215,123 and \$154,973 for the years ended December 31, 2019 and 2018, respectively. The assets of the Plan are held in a trust for the benefit of participants and are not included in the consolidated financial statements.

BGCGW also maintains a 403(b) elective deferral only retirement plan, which covers all eligible employees. The plan is entirely employee funded through elective deferrals. The assets of the plan are held in a trust for the benefit of participants and are not included in the consolidated financial statements.

Note 11. Commitments and Contingencies

Leases: BGCGW leases club space within the Town Hall Entertainment Arts Recreation Center (THE ARC) in Washington, D.C. The lease expires in 2101 and the lease agreement stipulates that the landlord will maintain and care for the property over the term of the lease. At the beginning of the lease, BGCGW prepaid the total rent due in accordance with the term of the lease. As a result, no future minimum lease payments are required under the terms of the lease. Prepaid rent of \$2,451,124 and \$2,481,557 at December 31, 2019 and 2018, respectively, has been recorded to reflect the future benefit over the term of the lease. BGCGW also leases other facilities on short-term lease agreements. Rent expense for all leases totaled \$266,730 and \$285,221 for the years ended December 31, 2019 and 2018, respectively.

Government grants: Amounts received or receivable from government agencies under various grants are subject to audit and adjustment by the government agencies. The amount of expenditures which may be potentially disallowed cannot be determined at this time, and management expects such amounts, if any, to be immaterial. Since total federal expenditures were less than \$750,000, the single audit requirement in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) was not applicable for the years ended December 31, 2019 and 2018.

Litigation: On occasion, BGCGW may be named as a defendant in a lawsuit resulting from activities related to its normal operations. In the opinion of management, resolution of such matters will not have a material adverse effect on the consolidated financial statements of the Organization.

Geographic diversity: BGCGW operates programs and facilities in the District of Columbia, Maryland and Virginia. The geographic diversity of BGCGW's operations is impacted by certain localized events, such as economic hardship or changes in population demographics that may occur faster than BGCGW can adapt to such conditions.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 12. Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated balance sheet date, comprise the following:

	2019	2018
Cash and cash equivalents	\$ 1,774,714	\$ 2,608,496
Investments	1,185,143	1,022,638
Restricted cash	270,000	270,000
Accounts receivable	1,358,928	646,850
Total financial assets available	<u>4,588,785</u>	<u>4,547,984</u>
Donor restricted net assets not available within one year:		
Restricted cash	270,000	270,000
Net assets with donor restrictions	1,766,035	1,740,854
	<u>2,036,035</u>	<u>2,010,854</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,552,750</u>	<u>\$ 2,537,130</u>

Note 13. Subsequent Events

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Organization operates. It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to the Organization. The continued spread of COVID-19 could adversely impact the Organization’s operations and may have a material adverse effect on the financial condition of the Organization.

On April 17, 2020, the Organization received a loan in the amount of \$1,320,600 from a financial institution under the Paycheck Protection Program (PPP). On the face, the note bears interest at 1% per annum and payments deferred until month 7. For months 8 through 24, payments of principal and interest are due monthly until maturity of April 17, 2022. Under PPP, amounts may be forgiven if the Organization utilizes the funds in a certain manner or a specified period of time. The Small Business Administration formally approved loan forgiveness of this PPP loan in April 2021.

On March 16, 2021, the Organization received a 2nd loan in the amount of \$1,320,600 from a financial institution under the PPP. On the face, the note bears interest at 1% per annum and payments deferred until month 7. For months 8 through 24, payments of principal and interest are due monthly until the maturity of March 16, 2026. The Organization expects to take advantage of the forgiveness option to the fullest extent allowed under PPP.

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 13. Subsequent Events (Continued)

Due to the economic uncertainty created by the COVID-19 Pandemic, the organization also secured an Economic Injury Disaster Loan April 19, 2020, administered by the Small Business Administration. The full value of the loan is \$500,000 and accrues interest at the rate of 2.75% per annum. Monthly installment payments will begin 12 months from initial date of the promissory note and will continue until maturity of the note April 19, 2050.



RSM US LLP

Independent Auditor's Report on the Supplementary Information

Board of Directors
Boys & Girls Clubs of Greater Washington, Inc.

We have audited the consolidated financial statements of Boys & Girls Clubs of Greater Washington and Affiliate (the Organization) as of and for the years ended December 31, 2019 and 2018, and have issued our report thereon, which contains an unmodified opinion on those consolidated financial statements. See page 1. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis rather than to present the financial position and results of activities of the individual entities and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

RSM US LLP

Washington, D.C.
April 23, 2021

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

**Consolidating Statement of Financial Position
December 31, 2019**

	BGGCW	Foundation	Eliminations	Total
Assets				
Cash and cash equivalents	\$ 1,774,714	\$ -	\$ -	\$ 1,774,714
Restricted cash	270,000	-	-	270,000
Investments	110,308	1,074,835	-	1,185,143
Receivables, net	1,358,928	-	-	1,358,928
Deposits and other assets	121,007	-	-	121,007
Prepaid rent	2,451,124	-	-	2,451,124
Property and equipment, net	11,132,799	-	-	11,132,799
Total assets	\$ 17,218,880	\$ 1,074,835	\$ -	\$ 18,293,715
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	\$ 1,329,943	\$ -	\$ -	\$ 1,329,943
Deferred revenue	99,455	-	-	99,455
Notes payable	1,579,250	-	-	1,579,250
Total liabilities	3,008,648	-	-	3,008,648
Net assets:				
Without donor restrictions:	12,993,655	525,377	-	13,519,032
With donor restrictions	1,216,577	549,458	-	1,766,035
Total net assets	14,210,232	1,074,835	-	15,285,067
Total liabilities and net assets	\$ 17,218,880	\$ 1,074,835	\$ -	\$ 18,293,715

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

Consolidating Statement of Financial Position

December 31, 2018

	BGCGW	Foundation	Eliminations	Total
Assets				
Cash and cash equivalents	\$ 2,608,496	\$ -	\$ -	\$ 2,608,496
Restricted cash	270,000	-	-	270,000
Investments	124,998	897,640	-	1,022,638
Receivables, net	646,850	-	-	646,850
Deposits and other assets	107,983	-	-	107,983
Prepaid rent	2,481,557	-	-	2,481,557
Property and equipment, net	11,421,246	-	-	11,421,246
Total assets	\$ 17,661,130	\$ 897,640	\$ -	\$ 18,558,770
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	\$ 1,069,072	\$ 9,000	\$ -	\$ 1,078,072
Deferred revenue	-	-	-	-
Notes payable	1,715,512	-	-	1,715,512
Total liabilities	2,784,584	9,000	-	2,793,584
Net assets:				
Without donor restrictions:	13,679,851	344,481	-	14,024,332
With donor restrictions	1,196,695	544,159	-	1,740,854
Total net assets	14,876,546	888,640	-	15,765,186
Total liabilities and net assets	\$ 17,661,130	\$ 897,640	\$ -	\$ 18,558,770

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

**Consolidating Statement of Activities
Years Ended December 31, 2019**

	BGCGW	Foundation	Eliminations	Total
Activities without donor restrictions:				
Revenue and support:				
Special events	\$ 2,059,611	\$ -	\$ -	\$ 2,059,611
Costs of direct benefits to donors	(343,532)	-	-	(343,532)
Special events, net	1,716,079	-	-	1,716,079
Contributions	4,098,963	-	-	4,098,963
Contributions (inter-company)	10,000	(10,000)	-	-
Program service fees	1,804,412	-	-	1,804,412
Government grants	1,351,211	-	-	1,351,211
Rental and other income	182,350	9,000	-	191,350
Membership dues	113,856	-	-	113,856
Investment income (loss), net	45,310	110,560	-	155,870
Net assets released from restrictions	1,234,395	71,336	-	1,305,731
Total revenue and support	10,556,576	180,896	-	10,737,472
Expenses:				
Program services:				
Camps	3,596,809	-	-	3,596,809
Child care	4,393,870	-	-	4,393,870
After school	743,384	-	-	743,384
Supporting services:				
Management and general	1,757,917	-	-	1,757,917
Fundraising	750,792	-	-	750,792
Total expenses	11,242,772	-	-	11,242,772
Change in net assets without donor restrictions	(686,196)	180,896	-	(505,300)
Activities with donor restrictions:				
Contributions	1,254,277	-	-	1,254,277
Investment income (loss), net	-	76,635	-	76,635
Net assets released from restrictions	(1,234,395)	(71,336)	-	(1,305,731)
Change in net assets with donor restrictions	19,882	5,299	-	25,181
Change in net assets	(666,314)	186,195	-	(480,119)
Net assets:				
Beginning	14,876,546	888,640	-	15,765,186
Ending	\$ 14,210,232	\$ 1,074,835	\$ -	\$ 15,285,067

Boys & Girls Clubs of Greater Washington, Inc. and Affiliate

**Consolidating Statement of Activities
Year Ended December 31, 2018**

	BGCGW	Foundation	Eliminations	Total
Activities without donor restrictions:				
Revenue and support:				
Special events	\$ 1,718,344	\$ -	\$ -	\$ 1,718,344
Costs of direct benefits to donors	(405,016)	-	-	(405,016)
Special events, net	1,313,328	-	-	1,313,328
Contributions	3,709,337	-	-	3,709,337
Contributions (inter-company)	489,935	(489,935)	-	-
Program service fees	1,797,512	-	-	1,797,512
Government grants	1,580,022	-	-	1,580,022
Rental and other income	170,088	-	-	170,088
Membership dues	163,921	-	-	163,921
Investment income (loss), net	(13,540)	(14,866)	-	(28,406)
Net assets released from restrictions	2,482,758	10,000	-	2,492,758
Total revenue and support	11,693,361	(494,801)	-	11,198,560
Expenses:				
Program services:				
Camps	2,953,009	-	-	2,953,009
Child care	3,374,014	-	-	3,374,014
After school	1,366,075	-	-	1,366,075
Program support	-	-	-	-
Supporting services:				
Management and general	1,973,008	-	-	1,973,008
Fundraising	659,156	-	-	659,156
Total expenses	10,325,262	-	-	10,325,262
Change in net assets without donor restrictions	1,368,099	(494,801)	-	873,298
Activities with donor restrictions:				
Contributions	2,527,981	-	-	2,527,981
Investment income (loss), net	-	(23,629)	-	(23,629)
Net assets released from restrictions	(2,482,758)	(10,000)	-	(2,492,758)
Change in net assets with donor restrictions	45,223	(33,629)	-	11,594
Change in net assets	1,413,322	(528,430)	-	884,892
Net assets:				
Beginning	13,463,224	1,417,070	-	14,880,294
Ending	\$ 14,876,546	\$ 888,640	\$ -	\$ 15,765,186