

**Boys and Girls Club of Monmouth County
(A Nonprofit Organization)**

Financial Statements

December 31, 2024

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)

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DAVID M. MULDOWNEY, JR.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Boys and Girls Club of Monmouth County

Opinion

I have audited the accompanying financial statements of Boys and Girls Club of Monmouth County (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flow, and functional expenses for the year then ended, and the related notes to the financial statements. In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Club of Monmouth County as of December 31, 2024, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Boys and Girls Club of Monmouth County and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Boys and Girls Club of Monmouth County's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

(Continued....)

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In performing an audit in accordance with generally accepted auditing standards, I:

- 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

David M. Muldowney, Jr. CPA

David M. Muldowney, Jr. CPA
Shrewsbury, New Jersey
September 22, 2025

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Statement of Financial Position
December 31, 2024

Assets

Current assets	
Cash	\$ 3,225,720
Accounts receivable	22,300
Accrued revenue	48,678
Total current assets	<u>3,296,698</u>
Property and equipment, net of accumulated depreciation	<u>868,579</u>
Total assets	<u><u>\$ 4,165,277</u></u>

Liabilities and Net Assets

Current liabilities	
Accounts payable	\$ 102,185
Deferred revenue	11,896
Total current liabilities	<u>114,081</u>
Net assets	
Without donor restrictions	2,215,922
With donor restrictions	<u>1,835,274</u>
Total net assets	<u>4,051,196</u>
Total liabilities and net assets	<u><u>\$ 4,165,277</u></u>

See accompanying independent auditor's report and notes to the financial statements

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Statement of Activities
For the Year Ended December 31, 2024
With Comparative Totals for 2023 and 2022

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total	2022 Total
Revenue and support					
Contributions	\$ 485,037	\$ 977,860	\$ 1,462,897	\$ 1,216,701	\$ 2,327,508
Special events (less direct benefit costs of \$144,609 \$120,326 and \$112,192 respectively)	437,215	-	437,215	328,519	349,579
After school care	-	-	-	437,815	361,768
Summer day camp	236,335	-	236,335	163,897	139,115
Government grants					
Federal	269,768	-	269,768	82,455	-
State - New Jersey	49,796	-	49,796	470,237	85,553
County - Monmouth	38,876	-	38,876	24,520	13,752
City of Asbury Park	71,000	-	71,000	71,000	-
Grant - pass through BGCA	95,741	-	95,741	239,971	55,491
Grant - United Way	293	-	293	1,470	393
Grants - unrestricted	199,233	-	199,233	25,000	-
Program dues	571,949	-	571,949	1,060	2,990
Pool fees	34,562	-	34,562	51,010	96,697
PPP Loan forgiveness	-	-	-	-	264,390
Interest income	52,966	-	52,966	38,607	1,700
Miscellaneous income	49,639	-	49,639	-	-
Total revenue	2,592,410	977,860	3,570,270	3,152,262	3,698,936
Net assets released from restrictions	1,480,195	(1,480,195)	-	-	-
Total revenue and support	4,072,605	(502,335)	3,570,270	3,152,262	3,698,936
Expenses					
Program services	2,657,438	-	2,657,438	2,392,531	1,966,416
Management and general	482,516	-	482,516	431,513	422,422
Fundraising	215,547	-	215,547	160,663	241,835
Total expenses	3,355,501	-	3,355,501	2,984,707	2,630,673
Change in net assets	717,104	(502,335)	214,769	167,555	1,068,263
Net assets, beginning of year	1,498,818	2,337,609	3,836,427	3,668,872	2,600,609
Net assets, end of year	\$ 2,215,922	\$ 1,835,274	\$ 4,051,196	\$ 3,836,427	\$ 3,668,872

See accompanying independent auditor's report and notes to the financial statements

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Statement of Functional Expenses
For the Year Ended December 31, 2024
With Comparative Totals for 2023 and 2022

	Program Services	General and Administrative	Fundraising	2024 Total	2023 Total	2022 Total
Expenses						
Salaries	\$ 1,503,056	\$ 198,266	\$ 174,765	\$ 1,876,087	\$ 1,740,743	\$ 1,841,401
Payroll taxes	143,707	25,592	27,560	196,859	155,974	121,158
Employee benefits	68,942	12,277	13,222	94,441	81,105	93,155
Program supplies and expense	-	-	-	-	126,354	87,564
Utilities	102,875	11,431	-	114,306	138,351	136,782
Repairs and maintenance	106,543	11,838	-	118,381	89,034	210,863
Building costs	93,629	10,403	-	104,032	113,731	-
Insurance	116,627	12,959	-	129,586	145,660	53,254
Professional fees	-	86,192	-	86,192	54,441	69,597
Payroll service fees	-	18,217	-	18,217	12,017	9,774
Office expense	41,851	4,650	-	46,501	24,746	37,004
Dues, licenses and fees	34,378	3,820	-	38,198	46,606	40,130
Communications	10,167	2,542	-	12,709	13,285	14,340
Vehicle	51,131	-	-	51,131	38,505	-
Interest	-	250	-	250	320	250
Conferences, seminars and meetings	-	42,438	-	42,438	42,276	19,243
Printing and promotions	48,727	-	-	48,727	53,618	45,718
Program	239,786	-	-	239,786	-	24,356
Miscellaneous expense	-	-	-	-	603	-
Bad debt	33,495	-	-	33,495	-	-
Bank charges and credit card fees	5,277	3,476	-	8,753	386	440
Depreciation expense	57,247	38,165	-	95,412	106,852	97,223
Total expenses	<u>\$ 2,657,438</u>	<u>\$ 482,516</u>	<u>\$ 215,547</u>	<u>\$ 3,355,501</u>	<u>\$ 2,984,607</u>	<u>\$ 2,902,252</u>

See accompanying independent auditor's report and notes to the financial statements

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Statement of Cash Flows
December 31, 2024

Cash flows from operating activities	
Change in net assets	\$ 214,769
Adjustments to reconcile net assets to net cash provided by operating activities:	
Depreciation	95,412
(Increase) decrease in operating assets	
Accounts receivable	114,050
Accrued revenue	(7,092)
Prepaid expenses	162
Decrease in operating liabilities	
Accounts payable	60,297
Deferred revenue	<u>(108,604)</u>
Net cash provided by operating activities	<u>368,994</u>
Cash flows from investing activities	
Purchase of fixed assets	<u>(120,145)</u>
Net cash used in investing activities	<u>(120,145)</u>
Net increase in cash	248,849
Cash - beginning of year	<u>2,976,871</u>
Cash - end of year	<u>\$ 3,225,720</u>
Supplemental disclosure of cash flow information	
Interest paid	\$ 250

See accompanying independent auditor's report and notes to the financial statements

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Notes to the Financial Statements
Year Ended December 31, 2024

Note 1- Nature of operations

The Boys and Girls Club of Monmouth County ("the Organization") is a non-profit organization that was formed in 1938 to provide behavior guidance and to promote the health, social, educational, vocational, and character development of boys and girls in the Monmouth County area. The Organization accomplishes this mission through providing services and programs to promote personal growth and development.

Note 2 – Summary of significant accounting policies

Net assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting for the nature of the organization, the environment in which it operated, the purposes specified in the corporate documents and the application for tax exempt status, and any limits resulting from contractual agreements that are entered into in the course of its operations.

Net assets with donor restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Board must continue to use the resources in accordance with the donor's instructions.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue and revenue recognition

The Organization recognizes revenue from grants at fair value when received. Program revenue is recognized in the period in which the supported work is completed. The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

The Organization recognizes contributions 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 right of return - are not recognized until the conditions on which they depend have been met.

A portion of the Organization's revenue is derived from cost-reimbursable state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred qualifying expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

Property, equipment and depreciation

Donated property and equipment are recorded at fair value at date of receipt, and expenditures for land, buildings and equipment are capitalized and recorded at cost for items greater than \$500. Depreciation is computed under the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended December 31, 2024 was \$95,412.

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Notes to the Financial Statements
Year Ended December 31, 2024

Note 2 – Summary of significant accounting policies (continued)

Functional allocation of expenditures

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and services benefited.

Donated services and supplies

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Organization had no volunteer services which met this criteria.

Compensated absences

Employees of the Organization are entitled to paid vacation, sick days and personal days depending on length of service and other factors. The policy of the Organization is to recognize the cost of compensated absences when actually paid to employees, therefore, no amount has been accrued for the year ended December 31, 2024.

Concentration of credit risk

The Organization has over \$250,000 with its banking institutions which exceeds the federally insured limit. At December 31, 2024, the amounts at risk equaled \$945,474 at TD Bank and \$564,690 at Santander Bank. The Organization also holds over \$250,000 in investments at brokerage institutions that exceed the protected limit. At December 31, 2024, the amounts at risk equaled \$924,617 with Morgan Stanley.

Comparative financial information

The financial information for the years ended December 31, 2023 and 2022, presented for comparative purposes, is not intended to be a complete financial statement presentation.

Fair value of financial instruments

The carrying amounts of financial instruments, including cash, accounts receivable, prepaid expenses, accounts payable, and the line of credit approximate their fair market value due to the short term maturities of these instruments.

Reclassification

Certain reclassifications have been made to the 2023 and 2022 financial information in order to conform to the 2024 presentation.

Income taxes

The Organization is a nonprofit organization that is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal or state income taxes in the accompanying financial statements.

Other significant tax positions include its determination of whether any amounts are subject to unrelated business income tax (UBIT). Management has determined that the Organization had no activities subject to UBIT in the year ended December 31, 2024. All significant tax positions have been considered by management and it has been determined that all tax positions would be sustained upon examination by taxing authorities. The Organization is required to file Form 990 (Return of Organization Exempt from Income Tax), which is subject to examination by the Internal Revenue Service (IRS) up to three years from the extended due date of the tax return. The forms 990 for 2022-2024 are open to examination by the IRS as of December 31, 2024.

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Notes to the Financial Statements
Year Ended December 31, 2024

Note 3 – Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Note 4 – Property and equipment

Property and equipment are summarized by major classifications as follows:

Land	\$ 79,300
Building and improvements	1,675,538
Furniture, fixtures, and equipment	135,412
Computer software	6,226
Vehicles	210,008
Pool	406,575
	<u>2,513,059</u>
Less: accumulated depreciation	<u>(1,644,480)</u>
Total	<u><u>\$ 868,579</u></u>

Note 5 – Lease commitments

The Organization leases its Red Bank facility from the Borough of Red Bank. The lease commenced August 1, 2009 for a period of five years with options to renew the lease for an additional five years at an annual rent of \$1. The fair value of the lease has not been reflected as contributions and rent expense in the financial statements.

Note 6 – Liquidity risk

Financial assets available for general expenditure within one year of December 31, 2024 are as follows:

Total assets	\$ 4,165,277
Less:	
Fixed asset	<u>868,579</u>
Financial assets available within one year	<u><u>\$ 3,296,698</u></u>

The Organization manages its financial assets to be available as its operating expenditures, liability and other obligations come due. Support from donations, grants and fundraisers provide sufficient funds during the year for operating expenditures and liabilities. The Organization currently maintains approximately eleven months of operating expenses in cash and receivables.

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Notes to the Financial Statements
Year Ended December 31, 2024

Note 7 – Pension plan

Effective January 1, 2002, the Organization established a Tax Sheltered Annuity Plan. All employees at least twenty-one (21) years of age with one year of continuous service of 1,000 hours or more per year are eligible for the Tax Sheltered Annuity Plan. The Organization contributes five percent (5%) of the employee gross wages. Pension expense for the year ended December 31, 2024, was \$44,102. An employee becomes fully vested after 5 years of service.

Note 8 - Fundraising event direct costs

The Organization holds periodic fundraising events and reports the revenues generated, net of any direct costs, as revenue in the accompanying financial statement of activities. These direct costs are as follows:

Banquet and space rental	\$ 58,652
AD journal, invitations, and supplies	<u>61,674</u>
	<u><u>\$ 120,326</u></u>

Note 9 – Net assets with donor restrictions

Net assets with donor restrictions are restricted for the following purposes:

Scholarships	\$ 39,700
Programs	<u>1,795,574</u>
	<u><u>\$ 1,835,274</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose specified by donors as follows:

Programs	<u>\$ 1,480,195</u>
	<u><u>\$ 1,480,195</u></u>

Note 10 - Subsequent events

Management has evaluated subsequent events through the date of the independent auditor's report, the date which the financial statements were available to be issued.

Supplemental Information



DAVID M. MULDOWNEY, JR.

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors of
Boys and Girls Club of Monmouth County

Opinion

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Boys and Girls Club of Monmouth County (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated September 22, 2025.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Boys and Girls Club of Monmouth County internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Boys and Girls Club of Monmouth County's internal control. Accordingly, I do not express an opinion on the effectiveness of Boys and Girls Club of Monmouth County's internal control.

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

(Continued....)

Report on Compliance and Other Matters

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

Purpose of this report

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

David M. Muldowney, Jr. CPA

David M. Muldowney, Jr. CPA
Shrewsbury, New Jersey
September 22, 2025

Boys and Girls Club of Monmouth County
(A Nonprofit Organization)
Schedule of Expenditures of State Awards
For the Year Ended December 31, 2024

State Grantor/Pass-through Grantor/Program Title	Fiscal Year Grant Period	Expenditures Grant Amount	Federal CFDA	Fiscal Year Expenditure	Expenditures to Date
State of NJ, Juvenile Justice Commission Contract Number: #J-J:6-9-20	4/1/2024-9/30/2024	\$ 16,400	16.540	\$ 14,600	\$ 14,600
State of NJ, Department of Education	10/1/2024-8/31/2025	400,000		33,396	33,396
State of NJ Department of Community Affairs, At Risk Youth Funding Contract Number: 2025-05166-0001-01	9/1/2023-6/15/2024	500,000		48,019	64,026
State of NJ, Department of Children and Families, Division of Youth and Family Services Contract Number: OTARY 24 CF0077	7/1/2023-6/30/2024	107,556		55,359	107,556
State of NJ, Department of Children and Families, Division of Youth and Family Services Contract Number: OTARY 24 CF0077	7/1/2024-6/30/2025	\$ 107,556		48,432	48,432
				<u>\$ 199,806</u>	<u>\$ 268,010</u>

See accompanying independent auditor's report and notes to the schedule of expenditures

Boys and Girls Club of Monmouth Count
(A Nonprofit Organization)
Notes to the Schedule of Expenditures of State Awards ·
Year Ended December 31, 2024

Note 1 – Basis of presentation

The accompanying Schedule of Expenditures of State Awards includes the federal and state grant activity of Boys and Girls Club of Monmouth County. The information in this schedule is presented in accordance with the requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grant, State Grants and State Aid and the Department of Children and Family Services. Therefore, some information presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

Note 2 – Basis of accounting

The accompanying Schedule of Expenditures of State Awards has been prepared on an accrual basis of accounting.