



**Boys and Girls Club of Cheyenne**

Financial Statements  
And Supplementary Information

For the Years Ended December 31, 2015 and 2014

## CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Financial Position	3-4
Statement of Activities - 2015	5
Statement of Activities - 2014	6
Statements of Cash Flows	7-8
Statement of Functional Expenses - 2015	9-10
Statements of Functional Expenses - 2014	11-12
Notes to Financial Statements	13-22
SUPPLEMENTARY INFORMATION	
Statement of Financial Position-By Fund - 2015	23-24
Statement of Financial Position-By Fund - 2014	25-26
Statement of Activities-By Fund - 2015	27
Statement of Activities-By Fund - 2014	28
Statement of Cash Flows-By Fund - 2015	29-30
Statement of Cash Flows-By Fund - 2014	31-32



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Boys and Girls Club of Cheyenne  
Cheyenne, Wyoming

We have audited the accompanying financial statements of Boys and Girls Club of Cheyenne (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity'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 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 financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Club of Cheyenne as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matter**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 22-31 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

## **Prior Period Financial Statements**

The financial statements as of December 31, 2014, were audited by Mader Tschacher Peterson & Co., LLC, who merged with Anton Collins Mitchell, LLP as of January 1, 2016, and whose report dated July 1, 2015, expressed an unmodified opinion on those statements.

*Anton Collins Mitchell LLP*

Laramie, Wyoming  
June 15, 2016

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENTS OF FINANCIAL POSITION**

December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 1,300,454	\$ 1,594,801
Investments (Notes 2)	515,630	-
Accounts receivable	34,520	10,302
Deferred compensation receivable	-	7,500
Prepaid expenses	<u>19,446</u>	<u>11,852</u>
Total current assets	<u>1,870,050</u>	<u>1,624,455</u>
Property and Equipment (Note 4)		
Land	898,585	898,585
Buildings	3,162,024	4,223,405
Vehicles	141,949	141,949
Improvements	1,578,001	28,388
Equipment	98,811	85,520
Furniture & fixtures	63,464	-
Software	8,204	-
Accumulated depreciation	<u>(527,299)</u>	<u>(334,285)</u>
Total property and equipment	<u>5,423,739</u>	<u>5,043,562</u>
Total Assets	<u>\$ 7,293,789</u>	<u>\$ 6,668,017</u>

(Continued)

See Notes to Financial Statements.

BOYS AND GIRLS CLUB OF CHEYENNE

STATEMENTS OF FINANCIAL POSITION

December 31, 2015 and 2014

(Continued)

	<u>2015</u>	<u>2014</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 9,303	\$ 27,423
Retainage payable	-	132,620
Accrued liabilities	6,520	40,105
Deferred revenue	<u>42,462</u>	<u>15,000</u>
Total current liabilities	<u>58,285</u>	<u>215,148</u>
Long-term Liabilities		
Scholarships payable (Note 13)	23,613	25,321
Deferred compensation (Note 15)	-	<u>7,500</u>
Total long-term liabilities	<u>23,613</u>	<u>32,821</u>
Total Liabilities	<u>81,898</u>	<u>247,969</u>
Net Assets		
Unrestricted		
Undesignated	6,694,690	5,625,729
Board designated (Note 7)	<u>500,000</u>	<u>150,000</u>
Total unrestricted	7,194,690	5,775,729
Temporarily restricted (Note 6)	<u>17,201</u>	<u>644,319</u>
Total net assets	<u>7,211,891</u>	<u>6,420,048</u>
Total Liabilities and Net Assets	<u>\$ 7,293,789</u>	<u>\$ 6,668,017</u>

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2015

	Unrestricted	Temporarily Restricted	Total
Operating Activities			
Revenues and other support:			
Membership dues	\$ 175,984	\$ -	\$ 175,984
Grants and contracts	255,052	-	255,052
Contributions	976,034	13,751	989,785
Noncash contributions and donated services (Note 10)	130,767	-	130,767
Fundraising (Note 9)	306,899	3,450	310,349
Miscellaneous	10,683	-	10,683
Total operating revenues and other support	1,855,419	17,201	1,872,620
Expenses			
Program Services	931,104	-	931,104
General and administrative	131,333	-	131,333
Fundraising (Note 9)	233,410	-	233,410
Total expenses	1,295,847	-	1,295,847
Total operating activities	559,572	17,201	576,773
Nonoperating activities			
Investment return	1,943	-	1,943
Grants and contracts	-	1,294	1,294
Contributions	-	197,868	197,868
Gain (loss) on asset disposal	-	(229)	(229)
Miscellaneous	-	1,783	1,783
Noncash contributions and donated services (Note 10)	-	28,846	28,846
Program services	-	(16,435)	(16,435)
General and administrative	-	-	-
Net assets released from restrictions for capital (Note 14)	857,446	(857,446)	-
Total nonoperating activities	859,389	(644,319)	215,070
Changes in net assets	1,418,961	(627,118)	791,843
Net assets, beginning	5,775,729	644,319	6,420,048
Net assets, ending	\$ 7,194,690	\$ 17,201	\$ 7,211,891

See Notes to Financial Statements.

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Total
Operating Activities			
Revenues and other support:			
Membership dues	\$ 118,302	\$ -	\$ 118,302
Grants and contracts	169,276	-	169,276
Contributions	322,683	-	322,683
Noncash contributions and donated services (Note 10)	84,027	-	84,027
Fundraising (Note 9)	159,850	23,012	182,862
Miscellaneous	4,261	-	4,261
Total operating revenues and other support	858,399	23,012	881,411
Expenses			
Program services	559,478	-	559,478
General and administrative	92,926	-	92,926
Fundraising (Note 9)	152,274	-	152,274
Total expenses	804,678	-	804,678
Total operating activities	53,721	23,012	76,733
Nonoperating activities			
Investment return	1,525	87	1,612
Grants and contracts	-	770,000	770,000
Contributions	-	1,397,202	1,397,202
Noncash contributions and donated services (Note 10)	-	160,970	160,970
Program services	-	(118,520)	(118,520)
General and administrative	-	(9,827)	(9,827)
Net assets released from restrictions for capital (Note 14)	1,805,347	(1,805,347)	-
Total nonoperating activities	1,806,872	394,565	2,201,437
Changes in net assets	1,860,593	417,577	2,278,170
Net assets, beginning of year	3,915,136	226,742	4,141,878
Net assets, end of year	\$ 5,775,729	\$ 644,319	\$ 6,420,048

See Notes to Financial Statements



BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENTS OF CASH FLOWS**

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Cash received from grants, contributions, fundraisers, membership dues and services, and other activities	\$ 1,918,257	\$ 2,951,336
Cash paid for program and supporting services	(1,140,859)	(626,760)
Interest received	<u>2,313</u>	<u>1,612</u>
Net cash from operating activities	<u>779,711</u>	<u>2,326,188</u>
Cash flows from investing activities		
Purchase of investments	(516,000)	195,701
Purchase of property and equipment	<u>(556,350)</u>	<u>(1,565,781)</u>
Net cash from investing activities	<u>(1,072,350)</u>	<u>(1,370,080)</u>
Cash flows from financing activities		
Proceeds on new loan	-	950,000
Principal payments on debt	-	(1,240,139)
Cash received (paid for) scholarships payable	<u>(1,708)</u>	<u>5,880</u>
Net cash from financing activities	<u>(1,708)</u>	<u>(284,259)</u>
Net change in cash and cash equivalents	(294,347)	671,849
Cash and cash equivalents, beginning	<u>1,594,801</u>	<u>922,952</u>
Cash and cash equivalents, ending	<u>\$ 1,300,454</u>	<u>\$ 1,594,801</u>

(Continued)

See Notes to Financial Statements.

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENTS OF CASH FLOWS**

For the Years Ended December 31, 2015 and 2014

(Continued)

	<u>2015</u>	<u>2014</u>
Reconciliation of change in net assets to net cash from operating activities:		
Change in net assets	\$ 791,843	\$ 2,278,170
Adjustments to reconcile change in net assets to net cash from operating activities:		
Non-cash contributions	(159,613)	(244,997)
Non-cash expenses	142,199	126,745
Depreciation	193,587	116,524
Unrealized gain/loss on investment	370	-
(Increase) or decrease in:		
Accounts receivable	(24,218)	(6,515)
Deferred compensation receivable	7,500	(7,500)
Prepaid expenses	(7,594)	765
Increase or (decrease) in:		
Accounts payable	(18,120)	21,758
Retainage payable	(132,620)	-
Accrued liabilities	(33,585)	44,921
Deferred revenue	27,462	(11,183)
Deferred compensation	(7,500)	7,500
Net cash from operating activities	<u>\$ 779,711</u>	<u>\$ 2,326,188</u>

See Notes to Financial Statements

BOYS AND GIRLS CLUB OF CHEYENNE

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2015

	General		
	Program Service Expenses	General & Admin Expenses	Fundraising Expenses
Payroll and payroll taxes	\$ 450,350	\$ 100,077	\$ 62,733
Employee benefits-health insurance	23,359	6,276	3,827
Employee benefits-retirement	2,937	1,543	1,269
Accounting and auditing	5,813	1,937	-
Activities	119,122	-	163,240
Background checks/ drug testing	1,673	-	-
Bank service charges	2,271	2,272	-
Building supplies	12,331	1,370	-
Building maintenance and repairs	17,310	1,923	-
Conferences and training	6,213	1,553	-
Copier lease	1,849	1,849	411
Development	-	-	-
Dues	6,496	401	1,000
Insurance	16,975	3,071	-
Marketing	8,370	-	930
Office supplies and equipment	8,974	1,961	-
Other administrative costs	1,952	1,952	-
Postage and delivery	262	262	-
Program supplies and equipment	6,319	-	-
Rent	-	-	-
Telephone	5,704	634	-
Utilities	31,048	3,450	-
Vehicle	8,189	802	-
Total expenses before depreciation	737,517	131,333	233,410
Depreciation	193,587	-	-
Total expenses	<u>\$ 931,104</u>	<u>\$ 131,333</u>	<u>\$ 233,410</u>

See Notes to Financial Statements.

<u>Capital Campaign</u>		
<u>Program Service Expenses</u>	<u>General &amp; Admin Expenses</u>	<u>Total Expenses</u>
\$ -	\$ -	\$ 613,160
-	-	33,462
-	-	5,749
-	-	7,750
-	-	282,362
-	-	1,673
30	-	4,573
-	-	13,701
-	-	19,233
-	-	7,766
-	-	4,109
8,097	-	8,097
-	-	7,897
-	-	20,046
-	-	9,300
1,101	-	12,036
-	-	3,904
104	-	628
5,316	-	11,635
1,611	-	1,611
-	-	6,338
176	-	34,674
-	-	8,991
16,435	-	1,118,695
-	-	193,587
<u>\$ 16,435</u>	<u>\$ -</u>	<u>\$ 1,312,282</u>

BOYS AND GIRLS CLUB OF CHEYENNE

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2014

	General		
	Program Service Expenses	General & Admin Expenses	Fundraising Expenses
Payroll and payroll taxes	\$ 330,903	\$ 65,566	\$ 81,761
Employee benefits-health insurance	24,098	5,080	8,473
Employee benefits-retirement	944	1,071	944
Accounting and auditing	3,750	3,750	-
Activities	64,978	-	60,559
Background checks/ drug testing	3,819	-	-
Bank service charges	296	296	-
Building supplies	4,974	553	-
Building maintenance and repairs	14,188	1,577	-
Conferences and training	5,523	-	-
Copier lease	3,601	900	-
Development	-	-	-
Dues	6,084	1,148	537
Insurance	15,052	2,433	-
Interest	-	-	-
Legal	-	2,682	-
Marketing	11,424	-	-
Office supplies and equipment	16,131	705	-
Other administrative costs	2,465	3,628	-
Postage and delivery	-	403	-
Program supplies and equipment	3,686	-	-
Rent	-	-	-
Telephone	4,839	538	-
Utilities	23,362	2,596	-
Vehicle	9,277	-	-
Total expenses before depreciation	549,394	92,926	152,274
Depreciation	10,084	-	-
Total expenses	<u>\$ 559,478</u>	<u>\$ 92,926</u>	<u>\$ 152,274</u>

See Notes to Financial Statements.

Capital Campaign		
Program Service Expenses	General & Admin Expenses	Total Expenses
\$ -	\$ -	\$ 478,230
-	-	37,651
-	-	2,959
-	-	7,500
-	-	125,537
-	-	3,819
-	4,482	5,074
-	-	5,527
-	-	15,765
-	-	5,523
-	-	4,501
7,276	-	7,276
-	-	7,769
-	5,345	22,830
1,501	-	1,501
-	-	2,682
-	-	11,424
-	-	16,836
-	-	6,093
50	-	453
-	-	3,686
3,253	-	3,253
-	-	5,377
-	-	25,958
-	-	9,277
12,080	9,827	816,501
106,440	-	116,524
<u>\$ 118,520</u>	<u>\$ 9,827</u>	<u>\$ 933,025</u>

## BOYS AND GIRLS CLUB OF CHEYENNE

### NOTES TO FINANCIAL STATEMENTS

#### Note 1. Nature of Activities and Significant Accounting Policies

##### Nature of Activities

The Boys and Girls Club of Cheyenne (Club) was formed to inspire and enable all young people, especially those who need them the most, to reach their full potential as productive, responsible, and caring citizens. In pursuit of this mission, the Club provides a safe place to learn and grow; ongoing relationships with caring, adult professionals; life-enhancing programs and character development experiences; hope and opportunity; and support to kids so that they can be not what they have to be, but what they can be.

##### Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with general accepted accounting principles.

In order to ensure observance of limitation and restrictions placed on the use of resources available to the Club, its account are separated into three classes of net assets as follows:

**Unrestricted Net Assets**—Net assets that are not subject to donor-imposed stipulations. Board designated net assets represent amounts the Board has set aside for a specified purpose.

**Temporarily Restricted Net Assets**—Net assets that are available for use, but expendable only for those purposes specified by the donor. Temporarily restricted net assets are reclassified to unrestricted as their time and/or purpose requirements are met.

**Permanently Restricted Net Assets**—Net assets that consist of donor restricted contributions which are required to be held in perpetuity. The income earned on these investments may be unrestricted or may be restricted according to donor's wishes. The Club currently does not have any permanently restricted net assets.

##### Cash and Cash Equivalents

For the purposes of the statement of cash flow, the Club considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents.

## NOTES TO FINANCIAL STATEMENTS

### Investments

Investments are carried at fair value, which is determined by readily available quoted rates. Gains and losses are recognized each year based on the market values as of the statement of financial position date.

### Fair Value Measurements

Management assesses the inputs used to measure fair value using a three-tier hierarchy (as shown below) based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs not corroborated by market data.

### Accounts Receivable

Accounts receivable consist of dues and fees owed by Club members and cost reimbursements due from granting agency agreements. Receivables were considered fully collectible at December 31, 2015 and 2014.

### Property and Equipment

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Equipment is carried at cost, or if donated, at the fair market value at the date of donation. Depreciation is computed by the straight-line method over the estimated useful lives of the property, ranging from five to thirty-nine years.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor imposed restrictions. The Club reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, that is, when a stipulated time restriction end or purpose restriction is accomplished, temporarily restricted net assets are



## NOTES TO FINANCIAL STATEMENTS

reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

### Donated Goods and Services

Donated goods and services are valued at their fair market value. Donated services are recognized in the financial statements at their fair market value if the following criteria are met:

- The services require specialized skills and the services are provided by individuals possessing those skills.
- The services would typically need to be purchased if not donated.

A substantial number of unpaid volunteers have donated significant amounts of their time to the Club to perform a variety of tasks that assist the Club with daily operations, specific programs, and fundraising activities. The value of this contributed time is not recognized in the financial statements because it does not meet criteria for recognition under generally accepted accounting principles.

### Income Taxes

The Club is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Club's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Club qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under Section 509(a)(1). The Club's Federal Form 990 filings are subject to examination by the Internal Revenue Service. The periods open to examination are fiscal years 2012-2015.

### Advertising Costs

The Club expenses advertising costs when costs are incurred.

### Concentration of Credit Risk and Financial Instruments

Financial instruments that potentially expose the Club to concentrations of credit and market risk consist primarily of cash and cash equivalents; investments, receivables, and accounts payable. Cash and cash equivalents are maintained at high-quality financial institutions and credit exposure is limited in regards to any one institution. It is management's opinion that the Club is not exposed to significant interest rate risk or credit risk arising from these instruments. Unless otherwise noted, the fair values of these financial instruments are the market values of the financial instruments, and approximate their carrying values.

## NOTES TO FINANCIAL STATEMENTS

### Functional Allocation of Expenses

The costs of providing the various programs and other activities that been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### Subsequent Events

Management has evaluated subsequent events through June 15, 2016, the date which the financial statements were available for use.

### Note 2. Investments

Investments of the Club at December 31, 2015 are presented in the statements of financial position at fair value. The Club has valued its investments utilizing the Level 1 approach as described in Note 1. There were no investments at December 31, 2014. A summary of the investments as of December 31, 2015 is as follows:

	<u>Cost</u>	<u>Fair value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Mutual Funds	\$ 16,635	\$ 15,630	\$ (1,005)
Money Market	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total Investments	<u>\$ 516,635</u>	<u>\$ 515,630</u>	<u>\$ (1,005)</u>

Unrestricted investment income for the years ended December 31, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Interest and dividends	\$ 2,313	\$ 1,612
Realized/unrealized gains	<u>(370)</u>	<u>-</u>
Total unrestricted investment income	<u>\$ 1,943</u>	<u>\$ 1,612</u>

## NOTES TO FINANCIAL STATEMENTS

Note 3. Line of Credit

In 2015, the Club closed their line of credit of \$237,000. There were no proceeds from the line received in 2015 or 2014 and no amounts outstanding on this line of credit as of December 31, 2015 and 2014. The Club paid interest of \$0 during the years ended December 31, 2015 and 2014.

Note 4. Property and Equipment

	2015	2014
Land	\$ 898,585	\$ 898,585
Buildings	3,162,024	4,223,405
Vehicles	141,949	141,949
Improvements	1,578,001	28,388
Equipment	98,811	85,520
Furniture & fixtures	63,464	-
Software	8,204	-
	5,951,038	5,377,847
Less: accumulated depreciation	527,299	334,285
	\$ 5,423,739	\$ 5,043,562

Depreciation expense for the years ended December 31, 2015 and 2014 was \$193,587 and \$116,524, respectively.

Note 5. Affiliate

The Club is affiliated with Boys and Girls Clubs of America, not by common management or control but by the common purpose of providing youth with safe and caring environments where they will have mentors and teachers who will encourage, support, nurture, and value them. The National organization provides operational grants to the local organizations. The Club paid Boys and Girls Club of America \$4,309 in dues during the years ended December 31, 2015 and 2014. The Club received \$67,775 and \$35,171 in pass-thru grants from the Boys and Girls Club of America during the years ended December 31, 2015 and 2014, respectively.

## NOTES TO FINANCIAL STATEMENTS

### Note 6. Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purposes for the years ending December 31:

	2015		
	General Operations	Capital Campaign	Total
	Garden fund	\$ 8,066	\$ -
Marketing fund	5,685	-	5,685
American Girl Trip	3,450	-	3,450
Total temporarily restricted net assets	\$ 17,201	\$ -	\$ 17,201

  

	2014		
	General Operations	Capital Campaign	Total
	Building fund	\$ -	\$ 644,319
Total temporarily restricted net assets	\$ -	\$ 644,319	\$ 644,319

### Note 7. Board Designated Net Assets

Unrestricted net assets have been designated by the board of directors for the following purposes as of December 31, 2015 and 2014:

	2015	2014
Investment reserve	\$ 500,000	\$ -
Operating reserve	-	150,000
Total unrestricted board designated net assets	\$ 500,000	\$ 150,000

During 2015, the board of directors designated an investment reserve in the amount of \$500,000. The principle is not to be used for operations unless a super majority vote by the board of directors releases the funds. The annual income from the investment account may be used for operations.

## NOTES TO FINANCIAL STATEMENTS

### Note 8. Total Net Assets

For the years ended December 31, 2015 and 2014, total net assets consisted of other net assets and net assets invested in property and equipment, less related debt, as follows:

	2015	2014
Net assets invested in property and equipment, less related debt	\$ 5,423,739	\$ 5,043,562
Other net assets	1,788,152	1,376,486
Total net assets	\$ 7,211,891	\$ 6,420,048

### Note 9. Fundraising Events

Revenue and expenses for the Club's major fundraising events are as follows:

	2015	2014
Revenue:		
Chili Challenge	\$ 41,476	\$ 34,675
Back A Kid Breakfast	102,178	117,148
Dancing w/ the Stars	147,299	-
Other events	19,396	8,027
	310,349	159,850
Expenses:		
Chili Challenge	21,422	19,987
Back A Kid Breakfast	46,223	40,572
Dancing w/ the Stars	94,885	-
Other expenses allocated	70,880	91,715
	233,410	152,274
Net revenue from fundraising events	\$ 76,939	\$ 7,576

## NOTES TO FINANCIAL STATEMENTS

### Note 10. Noncash Contributions and Donated Services

Noncash contributions and donated services consisted of the following:

	2015	2014
Property and equipment	\$ 17,414	\$ 118,252
Reduction of long-term debt	-	39,143
Advertising	20,326	31,561
Professional legal services	-	2,682
Education	10,000	-
Event space	-	7,500
Professional technology services	-	3,500
Copy and printing services	-	4,509
Catering and meals	26,737	21,165
Supplies	83,338	11,170
Storage	1,432	1,895
Professional document destruction services	-	1,000
Repairs and maintenance	365	2,619
	\$ 159,613	\$ 244,996

### Note 11. Retirement Benefits

Effective January 1, 2009, the Club established a SIMPLE IRA plan for eligible Club employees. The Club has elected to contribute a matching contribution up to a limit of 3% of the employee's compensation for the year. The Club's retirement matching expense for the years ended December 31, 2015 and 2014 were \$5,749 and \$2,959, respectively.

### Note 12. Operating Leases

The Club leases a copier under an operating lease with an initial term of 60 months beginning January 1, 2014. Monthly payments under this lease are \$247. Copier lease expense for the years ended December 31, 2015 and 2014 was \$2,927 and \$3,242, respectively.

## NOTES TO FINANCIAL STATEMENTS

During 2015, the Club entered into an elevator service agreement with an initial term of 60 months, effective January 1, 2016. Annual payments under this agreement are \$2,220, paid in advance.

Future minimum commitments are as follows:

2016	\$	5,178
2017		5,178
2018		5,178
2019		2,220
2020		2,220
		<u>19,974</u>
	\$	<u>19,974</u>

### Note 13. Scholarships Payable

Scholarships payable consists of funds awarded to Club members for college tuition expenses.

### Note 14. Net Assets Released From Restrictions

During the years ended December 31, 2015 and 2014, net assets were released from restrictions by incurring expenses that satisfy purpose or time restrictions as follows:

	<u>2015</u>	<u>2014</u>
General fund	\$ -	\$ 172,461
Capital campaign	<u>857,446</u>	<u>1,632,886</u>
Total capital assets/construction	<u>\$ 857,446</u>	<u>\$ 1,805,347</u>

### Note 15. Nonqualified Deferred Compensation Plan

The Organization established a self-administered non-qualified deferred compensation plan in 2014 for the benefit of the Chief Professional Officer (CPO) of the Organization. The cost of the plan is borne entirely by the employer. Contributions to the plan are discretionary as determined by the Board of Directors. Benefits payments to the participant begin once the participant has attained the age of 64. The benefits vest at a rate of 10% per year once the participant attains the age of 55 until the age 64 at which point the participant will be 100% vested. The Board of Directors approved a contribution to the plan in the amount of \$8,500 and \$7,500 in 2015 and 2014, respectively. The plan was established to comply with Section 409(A) of the internal revenue code. The net present value of the liability for the vested benefits at December 31, 2015 and 2014 is \$0.

Note 16. Commitments and Contingencies

The Club completed their construction project in 2015 and had no commitments at December 31, 2015. During 2014, the Club had a construction project in progress and had a commitment to the construction company, Reiman Corporation, at December 31, 2014 of \$474,159.

Note 17. Related Party Transactions

During 2014, the Club employed the services of a certain business (Noel Griffith, Jr. & Associates) that is considered a related party. The total fees paid to this business for the year ended December 31, 2014 was \$31,829. No related party transactions occurred in 2015.



**SUPPLEMENTARY INFORMATION**

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF FINANCIAL POSITION-BY FUND**

December 31, 2015

	General Operations	Capital Campaign	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 1,300,454	\$ -	\$ 1,300,454
Investments (Notes 2)	515,630	-	515,630
Accounts receivable	34,520	-	34,520
Prepaid expenses	19,446	-	19,446
Total current assets	1,870,050	-	1,870,050
Property and Equipment (Note 4)			
Land	898,585	-	898,585
Buildings	3,162,024	-	3,162,024
Vehicles	141,949	-	141,949
Improvements	1,578,001	-	1,578,001
Equipment	98,811	-	98,811
Furniture & fixtures	63,464	-	63,464
Software	8,204	-	8,204
Accumulated depreciation	(527,299)	-	(527,299)
Total property and equipment	5,423,739	-	5,423,739
Total Assets	\$ 7,293,789	\$ -	\$ 7,293,789

(Continued)

See Notes to Financial Statements.

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF FINANCIAL POSITION-BY FUND**

December 31, 2015

(Continued)

	<u>General Operations</u>	<u>Capital Campaign</u>	<u>Total</u>
<b>Liabilities and Net Assets</b>			
Current liabilities			
Accounts payable	\$ 9,303	\$ -	\$ 9,303
Accrued liabilities	6,520	-	6,520
Deferred revenue	<u>42,462</u>	<u>-</u>	<u>42,462</u>
Total current liabilities	<u>58,285</u>	<u>-</u>	<u>58,285</u>
Long-term Liabilities			
Scholarships payable (Note 13)	<u>23,613</u>	<u>-</u>	<u>23,613</u>
Total long-term liabilities	<u>23,613</u>	<u>-</u>	<u>23,613</u>
Total liabilities	<u>81,898</u>	<u>-</u>	<u>81,898</u>
Net Assets			
Unrestricted			
Undesignated	6,694,690	-	6,694,690
Board designated (Note 7)	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total unrestricted	7,194,690	-	7,194,690
Temporarily restricted (Note 6)	<u>17,201</u>	<u>-</u>	<u>17,201</u>
Total net assets	<u>7,211,891</u>	<u>-</u>	<u>7,211,891</u>
 Total Liabilities and Net Assets	 <u>\$ 7,293,789</u>	 <u>\$ -</u>	 <u>\$ 7,293,789</u>

See Notes to Financial Statements.

BOYS AND GIRLS CLUB OF CHEYENNE

STATEMENT OF FINANCIAL POSITION-BY FUND

December 31, 2014

	<u>General Operations</u>	<u>Capital Campaign</u>	<u>Total</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 773,859	\$ 820,942	\$ 1,594,801
Accounts receivable	10,302	-	10,302
Deferred compensation receivable	7,500	-	7,500
Prepaid expenses	<u>11,852</u>	<u>-</u>	<u>11,852</u>
Total current assets	<u>803,513</u>	<u>820,942</u>	<u>1,624,455</u>
Property and Equipment (Note 4)			
Land	898,585	-	898,585
Capitalized building costs	4,223,405	-	4,223,405
Vehicles	141,949	-	141,949
Equipment	85,520	-	85,520
Improvements	28,388	-	28,388
Accumulated depreciation	<u>(334,285)</u>	<u>-</u>	<u>(334,285)</u>
Total property and equipment	<u>5,043,562</u>	<u>-</u>	<u>5,043,562</u>
Other assets			
Due from campaign/(to operations)	<u>17,050</u>	<u>(17,050)</u>	<u>-</u>
Total other assets	<u>17,050</u>	<u>(17,050)</u>	<u>-</u>
Total Assets	<u>\$ 5,864,125</u>	<u>\$ 803,892</u>	<u>\$ 6,668,017</u>

(Continued)

See Notes to Financial Statements.

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF FINANCIAL POSITION-BY FUND**

December 31, 2014

(Continued)

	General Operations	Capital Campaign	Total
Liabilities and Net Assets			
Current liabilities			
Accounts payable	\$ 470	\$ 26,953	\$ 27,423
Retainage payable	-	132,620	132,620
Accrued liabilities	40,105	-	40,105
Deferred revenue	15,000	-	15,000
Total current liabilities	55,575	159,573	215,148
Long-term Liabilities			
Scholarships payable (Note 13)	25,321	-	25,321
Deferred compensation (Note 15)	7,500	-	7,500
Total long-term liabilities	32,821	-	32,821
Total liabilities	88,396	159,573	247,969
Net Assets			
Unrestricted	5,775,729	-	5,775,729
Temporarily restricted (Note 6)	-	644,319	644,319
Total net assets	5,775,729	644,319	6,420,048
Total Liabilities and Net Assets	\$ 5,864,125	\$ 803,892	\$ 6,668,017

See Notes to Financial Statements.

## BOYS AND GIRLS CLUB OF CHEYENNE

## STATEMENT OF ACTIVITIES-BY FUND

For the Year Ended December 31, 2015

	General Operations	Capital Campaign	Total
Changes in Net Assets			
Support			
Grants and contracts	\$ 255,052	\$ 1,294	\$ 256,346
Contributions	989,785	197,868	1,187,653
Noncash contributions and donated services (Note 10)	130,767	28,846	159,613
Fundraising (Note 9)	310,349	-	310,349
Total support	<u>1,685,953</u>	<u>228,008</u>	<u>1,913,961</u>
Revenue			
Membership dues	175,984	-	175,984
Investment return	1,943	-	1,943
Miscellaneous	10,683	1,783	12,466
Gain (loss) on asset disposal	-	(229)	(229)
Total revenue	<u>188,610</u>	<u>1,554</u>	<u>190,164</u>
Total support and revenue	<u>1,874,563</u>	<u>229,562</u>	<u>2,104,125</u>
Expenses			
Program services	931,104	16,435	947,539
General and administrative	131,333	-	131,333
Fundraising	233,410	-	233,410
Total expenses	<u>1,295,847</u>	<u>16,435</u>	<u>1,312,282</u>
Change in net assets before transfers	578,716	213,127	791,843
Net assets released from restriction for capital (Note 14)	<u>857,446</u>	<u>(857,446)</u>	<u>-</u>
Change in net assets	1,436,162	(644,319)	791,843
Net assets, beginning	<u>5,775,729</u>	<u>644,319</u>	<u>6,420,048</u>
Net assets, ending	<u>\$ 7,211,891</u>	<u>\$ -</u>	<u>\$ 7,211,891</u>

See Notes to Financial Statements.

## BOYS AND GIRLS CLUB OF CHEYENNE

## STATEMENT OF ACTIVITIES-BY FUND

For the Year Ended December 31, 2014

	<u>General Operations</u>	<u>Capital Campaign</u>	<u>Total</u>
Changes in Net Assets			
Support			
Grants and contracts	\$ 169,276	\$ 770,000	\$ 939,276
Contributions	322,683	1,397,202	1,719,885
Noncash contributions and donated services (Note 10)	84,027	160,970	244,997
Fundraising (Note 9)	<u>159,850</u>	<u>23,012</u>	<u>182,862</u>
Total support	<u>735,836</u>	<u>2,351,184</u>	<u>3,087,020</u>
Revenue			
Membership dues	118,302	-	118,302
Investment return	1,525	87	1,612
Miscellaneous	<u>4,261</u>	<u>-</u>	<u>4,261</u>
Total revenue	<u>124,088</u>	<u>87</u>	<u>124,175</u>
Total support and revenue	<u>859,924</u>	<u>2,351,271</u>	<u>3,211,195</u>
Expenses			
Program services	559,478	118,520	677,998
General and administrative	92,926	9,827	102,753
Fundraising	<u>152,274</u>	<u>-</u>	<u>152,274</u>
Total expenses	<u>804,678</u>	<u>128,347</u>	<u>933,025</u>
Change in net assets before transfers	55,246	2,222,924	2,278,170
Net assets released from restrictions for capital (Note 14)	<u>1,632,886</u>	<u>(1,632,886)</u>	<u>-</u>
Change in net assets	1,688,132	590,038	2,278,170
Net assets-beginning of year	<u>4,087,597</u>	<u>54,281</u>	<u>4,141,878</u>
Net assets-end of year	<u>\$ 5,775,729</u>	<u>\$ 644,319</u>	<u>\$ 6,420,048</u>

See Notes to Financial Statements.

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF CASH FLOWS-BY FUND**

For the Year Ended December 31, 2015

	<u>General Operations</u>	<u>Capital Campaign</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from grants, contributions, fundraisers, membership dues and services, and other activities	\$ 1,717,541	\$ 200,716	\$ 1,918,257
Cash paid for program and supporting services	(976,283)	(164,576)	(1,140,859)
Interest received	2,313	-	2,313
Net cash from operating activities	<u>743,571</u>	<u>36,140</u>	<u>779,711</u>
Cash flows from investing activities			
Purchase of investments	(516,000)	-	(516,000)
Purchase of property and equipment	(556,350)	-	(556,350)
Net cash from investing activities	<u>(1,072,350)</u>	<u>-</u>	<u>(1,072,350)</u>
Transfer between general operations and capital campaign	857,082	(857,082)	-
Cash received (paid for) scholarships payable	(1,708)	-	(1,708)
Net cash from financing activities	<u>855,374</u>	<u>(857,082)</u>	<u>(1,708)</u>
Net change in cash and cash equivalents	526,595	(820,942)	(294,347)
Cash and cash equivalents, beginning	<u>773,859</u>	<u>820,942</u>	<u>1,594,801</u>
Cash and cash equivalents, ending	<u>\$ 1,300,454</u>	<u>\$ -</u>	<u>\$ 1,300,454</u>

(Continued)

See Notes to Financial Statements.



BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF CASH FLOWS-BY FUND**

For the Year Ended December 31, 2015

(Continued)

	<u>General</u> <u>Operations</u>	<u>Capital</u> <u>Campaign</u>	<u>Total</u>
Reconciliation of change in net assets to net cash from operating activities:			
Change in net assets	\$ 1,436,162	\$ (644,319)	\$ 791,843
Adjustments to reconcile change in net assets to net cash from operating activities:			
Non-cash contributions	(130,767)	(28,846)	(159,613)
Non-cash expenses	130,767	11,432	142,199
Depreciation	193,587	-	193,587
Unrealized gain/loss on investment	370	-	370
Interfund transfer	(857,446)	857,446	-
(Increase) or decrease in:			
Accounts receivable	(24,218)	-	(24,218)
Deferred compensation receivable	7,500	-	7,500
Prepaid expenses	(7,594)	-	(7,594)
Increase or (decrease) in:			
Accounts payable	8,833	(26,953)	(18,120)
Retainage payable	-	(132,620)	(132,620)
Accrued liabilities	(33,585)	-	(33,585)
Deferred revenue	27,462	-	27,462
Deferred compensation	(7,500)	-	(7,500)
Net cash from operating activities	<u>\$ 743,571</u>	<u>\$ 36,140</u>	<u>\$ 779,711</u>

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF CASH FLOWS-BY FUND**

For the Year Ended December 31, 2014

	<u>General Operations</u>	<u>Capital Campaign</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from grants, contributions, fundraisers, membership dues and services, and other activities	\$ 721,979	\$ 2,229,357	\$ 2,951,336
Cash paid for program and supporting services	(735,283)	108,523	(626,760)
Interest received	1,525	87	1,612
Net cash from operating activities	<u>(11,779)</u>	<u>2,337,967</u>	<u>2,326,188</u>
Cash flows from investing activities			
Sale of investments	195,701	-	195,701
Purchase of property and equipment	-	(1,565,781)	(1,565,781)
Net cash from investing activities	<u>195,701</u>	<u>(1,565,781)</u>	<u>(1,370,080)</u>
Cash flows from financing activities			
Cash received from (paid for) due to/due from Transfer between general operations and capital campaign	(16,997)	16,997	-
Proceeds on new loan	94,436	(94,436)	-
Principal payments on debt	950,000	-	950,000
Cash received (paid for) scholarships payable	(1,200,996)	(39,143)	(1,240,139)
Net cash from financing activities	<u>5,880</u>	<u>-</u>	<u>5,880</u>
	<u>(167,677)</u>	<u>(116,582)</u>	<u>(284,259)</u>
Net change in cash and cash equivalents	16,245	655,604	671,849
Cash and cash equivalents, beginning	757,614	165,338	922,952
Cash and cash equivalents, ending	<u>\$ 773,859</u>	<u>\$ 820,942</u>	<u>\$ 1,594,801</u>

(Continued)

See Notes to Financial Statements.

BOYS AND GIRLS CLUB OF CHEYENNE

**STATEMENT OF CASH FLOWS-BY FUND**

For the Year Ended December 31, 2014

(Continued)

	<u>General</u>	<u>Capital</u>	<u>Total</u>
	<u>Operations</u>	<u>Campaign</u>	
Reconciliation of change in net assets to net cash from operating activities:			
Change in net assets	\$ 1,688,132	\$ 590,038	\$ 2,278,170
Adjustments to reconcile change in net assets to net cash from operating activities:			
Non-cash contributions	(123,170)	(121,827)	(244,997)
Non-cash expenses	84,027	42,718	126,745
Depreciation	10,084	106,440	116,524
Interfund transfer	(1,632,886)	1,632,886	-
(Increase) or decrease in:			
Accounts receivable	(6,515)	-	(6,515)
Deferred compensation receivable	(7,500)	-	(7,500)
Prepaid expenses	765	-	765
Increase or (decrease) in:			
Accounts payable	(5,195)	26,953	21,758
Accrued liabilities	(15,838)	60,759	44,921
Deferred revenue	(11,183)	-	(11,183)
Deferred compensation	7,500	-	7,500
	<u>          </u>	<u>          </u>	<u>          </u>
Net cash from operating activities	<u>\$ (11,779)</u>	<u>\$ 2,337,967</u>	<u>\$ 2,326,188</u>