BOYS & GIRLS CLUB OF CHARLOTTE COUNTY, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

WITH INDEPENDENT AUDITORS' REPORT

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Independent Auditors' Report

To the Board of Directors
Boys & Girls Club of Charlotte County, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Boys & Girls Club of Charlotte County, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Boys & Girls Club of Charlotte County, Inc. as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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 & Girls Club of Charlotte County, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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.

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

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

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

Suplee Shea Cramer & Miller, P.A

Suplee Shea Cramer & Miller, P.A.
Sarasota, Florida
June 11, 2026

BOYS & GIRLS CLUB OF CHARLOTTE COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2025

Assets		
Current Assets		
Cash and cash equivalents	$	211,455
Cash and cash equivalents - capital campaign		1,492,074
Pledges receivable, current		240,000
Grants receivable		21,286
Total Current Assets		1,964,815
Property and Equipment, net		766,427
Other Assets		
Beneficial interest in assets held by others		146,549
Pledges due greater than one year, net of present value discount		233,010
Utility deposits		101
Total Other Assets		379,660
TOTAL ASSETS	$	3,110,902
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$	42,535
Deferred revenue		36,165
Deposits		100
Total Current Liabilities		78,800
Total Liabilities		78,800
Net Assets		
Without donor restrictions		
Undesignated		1,067,018
Board designated		1,288,365
With donor restrictions		
Purpose restricted		676,719
Total Net Assets (as adjusted, see Note 11)		3,032,102
TOTAL LIABILITIES AND NET ASSETS	$	3,110,902

BOYS & GIRLS CLUB OF CHARLOTTE COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Changes in Net Assets	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues			
Contributions	$ 149,146	$ 53,731	$ 202,877
Grant revenue	708,732	-	708,732
Special events revenue (net of cost of direct benefit to donors of $25,683)	25,781	-	25,781
Program income	156,040	-	156,040
Other income	576	-	576
Interest income	55,606	6,258	61,864
Change in value of beneficial assets held by other:	12,816	-	12,816
In-kind contribution	383,050	-	383,050
Total Support and Revenues	1,491,747	59,989	1,551,736
Net Assets Released From Restrictions	138,597	(138,597)	-
Total Support and Revenues	1,630,344	(78,608)	1,551,736
Expenses			
Program services	1,411,278	-	1,411,278
General and administrative	223,648	-	223,648
Fundraising	-	-	-
Total Expenses	1,634,926	-	1,634,926
DECREASE IN NET ASSETS	(4,582)	(78,608)	(83,190)
NET ASSETS AT BEGINNING OF YEAR	901,311	1,408,824	2,310,135
PRIOR PERIOD ADJUSTMENT (Note 11)	1,458,654	(653,497)	805,157
NET ASSETS AT END OF YEAR	$ 2,355,383	$ 676,719	$3,032,102

BOYS & GIRLS CLUB OF CHARLOTTE COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Program Services	General & Administrative	Fundraising	Total
Personnel and benefits	$ 707,508	$ 124,855	$ -	$ 832,363
In-Kind services	325,592	57,458	-	383,050
Transportation	17,176	3,031	-	20,207
Marketing	1,554	275	-	1,829
Computer	13,107	2,313	-	15,420
Insurance	39,386	6,951	-	46,337
Depreciation	35,563	6,276	-	41,839
Dues	13,086	2,308	-	15,394
Program expenses	133,982	-	-	133,982
Repairs and maintenance	5,937	1,048	-	6,985
Telephone and internet	3,386	598	-	3,984
Professional fees	43,278	7,641	-	50,919
Training and development	4,178	-	-	4,178
Background checks	4,521	-	-	4,521
Charity	-	-	-	-
Rent	37,314	6,585	-	43,899
Office expenses	3,868	683	-	4,551
Bank and investment fees	9,172	1,640	-	10,812
Meeting expense	-	986	-	986
Property taxes	3,895	687	-	4,582
Scholarships	7,000	-	-	7,000
Utilities	1,775	313	-	2,088
Total Expenses	$ 1,411,278	$ 223,648	$ -	$ 1,634,926

BOYS & GIRLS CLUB OF CHARLOTTE COUNTY, INC.
STATEMENT OF CASH FLOWS
SEPTEMBER 30, 2025

Cash Flows from Operating Activities:		
Increase in net assets	$	(83,190)
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Change in value of pledges		6,990
Change in beneficial interest in assets held by others		(12,816)
Depreciation		41,839
(Increase) Decrease in:		
Pledges receivable		240,000
Grants receivable		(21,286)
Prepaid expenses		18,357
Increase (Decrease) in:		
Accounts payable and accrued expenses		13,992
Deferred revenue		36,165
Net Cash Provided by Operating Activities		240,051
Cash Flows from Investing Activities		
Purchase of property and equipment		(98,148)
Distribution from beneficial interest in assets held by others		7,000
Net Cash Used by Investing Activities		(91,148)
Cash Flows From Financing Activities		-
Net increase in cash and cash equivalents		148,903
Cash and cash equivalents at beginning of year		1,534,596
Prior period adjustment, see Note 11		20,030
Cash and cash equivalents at end of year	$	1,703,529
Cash and Cash Equivalents consist of:		
Operating cash	$	211,455
Restricted cash - capital		1,492,074
	$	1,703,529

BOYS & GIRLS CLUB OF CHARLOTTE COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Note 1 - Summary of Significant Accounting Policies

Club and Purposes

Boys & Girls Clubs of Charlotte County, Inc. (the "Club") was incorporated as a Florida not-for-profit corporation on February 13, 1997 and initiated its programs for youth on October 14, 1997. The Club is affiliated with the Boys & Girls Clubs of America, and its mission is "to help youth of all backgrounds, with special concerns for those from disadvantaged circumstances, to develop the qualities needed to become responsible citizens and leaders." The Club's support comes from business and individual donors' contributions and various government and private grants.

Basis of Accounting

The financial statements of the Club have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Club reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions - These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets with Donor Restrictions - These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Revenue Recognition

The Club recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of beneficial interest is received. Contributions are generally available for unrestricted use unless specifically restricted by the donor.

Contributions received with donor stipulations that limit the use of donated assets are treated as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When the purpose of the restriction is accomplished, net assets are reclassified and reported in the statement of activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. The expense analysis in the statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. Salaries and related expenses have been allocated based on employee time and effort. Other costs are classified in each functional category based on the underlying purpose of each transaction.

Cash and Cash Equivalents

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

Note 1 - Summary of Significant Accounting Policies (continued)

Concentration of Credit Risk
Financial instruments that potentially subject the Club to significant concentrations of credit risk consist principally of cash and cash equivalent investments. The Club places its cash investments with major banks and financial institutions. Management believes credit risk related to these cash and cash equivalent balances to be minimal.

Investments
The Club has adopted FASB Accounting Standards Codification 958-320-45, Accounting for Certain Investments Held by Not-for-Profit Clubs ("FASB ASC 958-320-45"). This statement requires reporting investments in equity securities that have readily determinable fair values and for all investments in debt securities at fair value.

Gains and losses are reported in the statement of activities as increases or decreases in net assets without donor restrictions unless the use of the investments is restricted by explicit donor stipulations.

Dividends, interest, and other investment income is reported in the period earned as increases in net assets without donor restrictions unless the use of the asset received is limited by donor-imposed restrictions. Donor-restricted investment income is reported as an increase in net assets with donor restrictions.

Contributed In-Kind Services
Donated equipment, office space and services meeting the criteria for recognition in the financial statements are reflected in the financial statements as non-cash contributions at their estimated value on the date of receipt.

In addition to the amounts recorded as revenue and expenditures in the financial statements, volunteers have donated significant amounts of time assisting the Club with fundraising, special projects, and provision of program services. These contributed services do not meet the criteria for recognition in the financial statements.

Promises to Give
Contributions are recognized when the donor makes a promise to give to the Club that is, in substance, unconditional. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

The Club used the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. There was no allowance required as of September 30, 2025.

Property and Equipment
Property and equipment are recorded at cost or, in the case of donated assets, at their estimated market value at the time of donation with depreciation provided on a straight line basis over useful lives established by the Internal Revenue Code.

The cost of assets retired or sold, together with the related accumulated depreciation, is removed from the accounts and any gain or loss on disposition is reflected in earnings.

Deferred Income
Revenue received from ticket sales and sponsorships for events to be held in the subsequent year is recorded as deferred revenue and is recognized in the year in which the event takes place.

Note 1 - Summary of Significant Accounting Policies (continued)

Estimates

The preparations 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.

Income Taxes

The Club is a not-for-profit organization exempt from income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for income taxes has been made in the financial statements. The Club has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section l 70(b)(1)(A)(vi).

The most significant tax positions of the Club are its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business tax (UBIT). All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. The Club's Form 990 for 2022 through 2024 is open to examination by the Internal Revenue Service as of September 30, 2025.

Fair Value Measurements

The Club reports its fair value measures using a fair value hierarchy defined by generally accepted accounting principles (GAAP) that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level I measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under GAAP are:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets and liabilities.

Level 2: Quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (that is, inputs supported by little or no market activity).

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Note 2 – Liquidity and Availability of Financial Assets

Financial assets available for general expenditure within one year are as follows as of September 30, 2025:

Financial assets, at year end	$ 2,197,825
Less those unavailable for general expenditures within one year, due to:	
Board designated for capital expenditures	(1,288,365)
Restricted by donor with time or purpose restrictions	(676,719)
Financial assets available within one year	$ 232,741

Note 2 – Liquidity and Availability of Financial Assets (continued)

The Club manages its financial assets to be available as its operating expenditures, liabilities, and other obligations become due. In addition, the Club invests cash in excess of its current requirements in a portfolio of investments designed to maximize long-term investments.

Note 3 - Promises to Give

Unconditional promises to give on September 30, 2025, are as follows:

Receivable in less than one year	$	240,000
Receivable in one to three years		240,000
Total unconditional promises to give		480,000
Less discounts to net present value		(6,990)
Net unconditional promises to give	$	473,010

Promises to give that are receivable in more than one year are discounted at 5%. No allowance is considered necessary, as all pledges are considered collectible as of September 30, 2025.

Note 4 - Property and Equipment

Property and equipment consist of the following as of September 30, 2025:

Furniture and equipment	$	11,388
Vehicles		261,586
Construction in progress		622,058
Total Cost		895,032
Less: Accumulated depreciation		(128,605)
	$	766,427

Depreciation expense for the year ended September 30, 2025 was $41,839.

Note 5 – Contributed Nonfinancial Assets

The Club received the following contributions of nonfinancial assets for the year ending September 30, 2025:

Occupancy	$	340,200
Food, clothing, and program supplies		42,850
Total contributed nonfinancial assets	$	383,050

Contributed food, clothing, and program supplies received by the Club are recorded as in-kind contribution revenue with a corresponding increase to in-kind expenses. Contributed items are valued at the fair market value of the item at the time it is donated. Contributed food, clothing, and supplies are used to support the Club's program and supporting services. There were no donor-imposed restrictions associated with the donated assets.

County-Provided Facilities: The Club operates out of a space provided by Charlotte County at no cost under a renewable annual agreement. The Club has recognized contribution revenue and a corresponding occupancy expense of $340,200, representing the estimated fair market value of the space based on current rental rates for similar commercial properties in the local area.

Note 5 – Contributed Nonfinancial Assets (continued)

Contributed services are recognized as in-kind revenues at their estimated fair value if 1) they create or enhance nonfinancial assets or 2) they require specialized skills that would need to be purchased if they were not donated. The Club receives a significant amount of donated services from unpaid volunteers who assist in program and supporting services. No amounts have been recognized in the statements of activities for these services because the criteria for recognition have not been satisfied.

Note 6 – Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes as of September 30, 2025:

Capital campaign	$ 203,709
Pledges receivable	473,010
Total net assets with donor restrictions	$ 676,719

Note 7 – Beneficial Interest in Assets Held by Others

In June 2017, the Board of Directors of the Boys & Girls Club of Charlotte County, Inc. ("the Club") and the Charlotte Community Foundation, Inc. ("the Foundation") entered into an agency fund agreement. The Club provided $30,000 to establish the fund. Excess operating funds are transferred to the Foundation as deemed appropriate by Board of Directors.

Per the terms of the agency agreement, the Club is to receive an annual distribution from the fund in accordance with the distribution policy of the Foundation. Additional distributions may be requested from the Foundation.

Note 8 – Line of Credit

The Club has an available line of credit with Bank OZK for $50,000. The credit line is unsecured, and the interest rate is 9.5%. The credit line was renewed on June 30, 2025, and there was no outstanding balance on the line as of September 30, 2025.

Note 9 - Fair Value Measurements

The following are the assets measured at fair value on a recurring basis at September 30, 2025:

		Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Money market funds	$ 626,022	$ 626,022	$ -	$ -
Certificates of deposit	662,328	662,328	-	-
Beneficial interest in asset held by others	146,549	-	-	146,549
Total	$ 1,434,899	$ 1,288,350	$ -	$ 146,549

Note 11 – Prior Period Adjustments

During the audit of the year ended September 30, 2025, several items requiring a prior period adjustment were discovered, as follows:

1. A net adjustment of $20,030 was made to the beginning cash balance to account for several old outstanding checks and deposits that were outstanding at the end of the prior year. The adjustment required an increase in cash and an increase in the net assets without donor restrictions.
2. Three pledges received in the prior year had not been recorded. The total adjustment to record the balance of pledges outstanding at the end of the prior year was $720,000. The adjustment resulted in an increase in pledges receivable and an increase in net assets with donor restrictions.
3. A grant receivable reported in the prior year was determined to be uncollectible. An adjustment of $29,187 was made to decrease grants receivable and decrease net assets without donor restrictions.
4. Prior year contributions received for the capital campaign were recorded as a reduction in the cost of the construction in progress. An adjustment of $110,568 was required to increase the value of construction in progress and increase net assets without donor restrictions.
5. Several items included in accounts payable in the prior year were determined to be recorded in error. An adjustment of $12,107 was made to reduce accounts payable and increase net assets without donor restrictions.
6. It was determined that there was no accrual for year-end payroll costs recorded in the prior year. An adjustment of $28,543 was made to record the accrual and reduce net assets without donor restrictions.
7. Board designated net assets of $1,373,497 were previously reported as net assets with donor restrictions. An adjustment has been made to reclassify to net assets without donor restrictions – board designated.

The net effect of the adjustments described above was an increase in net assets of $805,157, as follows:

Increase (decrease) in prior period:		
Cash and cash equivalents	$	20,030
Pledges receivable		720,000
Grants receivable		(29,187)
Construction in progress		110,750
Decrease (increase) in prior period:		
Accounts payable		12,107
Accrued expenses		(28,543)
Reclassification of net assets:		
Without donor restrictions - board designated		1,373,497
With donor restrictions		(1,373,497)
Net prior period adjustment	$	805,157

Note 12 - Subsequent Events

Subsequent events have been evaluated through June 11, 2026, the date the financial statements were available to be issued.