

**BOYS AND GIRLS CLUB OF  
ASSABET VALLEY, INC.**

**FINANCIAL STATEMENTS AND  
ACCOUNTANTS' REVIEW REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH SUMMARIZED INFORMATION FOR  
THE YEAR ENDED DECEMBER 31, 2008)**

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC.**

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## ACCOUNTANTS' REVIEW REPORT

To the Board of Directors  
Boys and Girls Club of Assabet Valley, Inc.  
Maynard, MA 01754

We have reviewed the accompanying statement of financial position of Boys and Girls Club of Assabet Valley, Inc. (a non-profit organization) as of December 31, 2009 and the related statements of activities, functional expenses, and cash flows for the year then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Boys and Girls Club of Assabet Valley, Inc. The prior year summarized comparative information has been derived from the Organization's 2008 financial statements and, in our accountant's review report dated November 11, 2009, we stated that we were not aware of any material modifications that should be made to those financial statements in order for them to be in conformity with generally accepted accounting principles.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying 2009 financial statements in order for them to be in conformity with generally accepted accounting principles.

*Vocatura Spagnuolo & Company, P.C.*

Vocatura, Spagnuolo & Company, P.C.

Waltham, Massachusetts

November 15, 2010

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC.**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2009 (WITH SUMMARIZED INFORMATION FOR 2008)**

	<b><u>ASSETS</u></b>	
	<b><u>2009</u></b>	<b><u>2008</u></b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 22,641	\$ 55,163
Unconditional promises to give, current	4,710	22,811
Prepaid expenses	<u>6,196</u>	<u>2,612</u>
Total Current Assets	<u>33,547</u>	<u>80,586</u>
<b>PROPERTY AND EQUIPMENT:</b>		
Property and equipment	424,100	424,100
Less: Accumulated depreciation	<u>257,477</u>	<u>245,587</u>
Net Property and Equipment	<u>166,623</u>	<u>178,513</u>
<b>OTHER ASSETS:</b>		
Unconditional promises to give, non-current	<u>-</u>	<u>3,533</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 200,170</u></b>	<b><u>\$ 262,632</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ <u>19,498</u>	\$ <u>21,575</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>19,498</u>	<u>21,575</u>
<b>NET ASSETS:</b>		
Unrestricted	20,120	56,585
Temporarily restricted	2,000	17,000
Permanently restricted	<u>158,552</u>	<u>167,472</u>
<b>TOTAL NET ASSETS</b>	<u>180,672</u>	<u>241,057</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 200,170</u></b>	<b><u>\$ 262,632</u></b>

See accompanying notes and accountants' report.

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC.**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2009 (WITH SUMMARIZED INFORMATION FOR 2008)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2009</u>	<u>2008</u>
PUBLIC SUPPORT AND REVENUE:					
PUBLIC SUPPORT:					
Grants	\$ 73,059	\$ -	\$ -	\$ 73,059	\$ 129,856
Contributions	900	-	-	900	1,390
Special events	24,913	-	-	24,913	34,256
Membership dues	3,190	-	-	3,190	3,920
Total Public Support	<u>102,062</u>	<u>-</u>	<u>-</u>	<u>102,062</u>	<u>169,422</u>
REVENUE:					
Program service fees	49,889	-	-	49,889	64,640
Interest income	165	-	-	165	930
Net vending income	2,698	-	-	2,698	4,373
Total Revenue	<u>52,752</u>	<u>-</u>	<u>-</u>	<u>52,752</u>	<u>69,943</u>
Net assets released from restriction	<u>15,000</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>169,814</u>	<u>(15,000)</u>	<u>-</u>	<u>154,814</u>	<u>239,365</u>
FUNCTIONAL EXPENSES:					
PROGRAM SERVICES:					
After-school program	87,158	-	2,676	89,834	99,360
Summer and vacation program	30,525	-	2,676	33,201	46,709
Girls program	7,990	-	1,338	9,328	12,409
Teen program	16,060	-	2,230	18,290	19,979
Special events	17,106	-	-	17,106	12,909
Total Program Services	<u>158,839</u>	<u>-</u>	<u>8,920</u>	<u>167,759</u>	<u>191,366</u>
SUPPORTING SERVICES:					
Management and general	35,239	-	-	35,239	40,409
Fundraising	12,201	-	-	12,201	13,089
Total Supporting Services	<u>47,440</u>	<u>-</u>	<u>-</u>	<u>47,440</u>	<u>53,498</u>
Total Functional Expenses	<u>206,279</u>	<u>-</u>	<u>8,920</u>	<u>215,199</u>	<u>244,864</u>
CHANGE IN NET ASSETS	(36,465)	(15,000)	(8,920)	(60,385)	(5,499)
Net Assets, Beginning of Year	<u>56,585</u>	<u>17,000</u>	<u>167,472</u>	<u>241,057</u>	<u>246,556</u>
NET ASSETS, END OF YEAR	<u>\$ 20,120</u>	<u>\$ 2,000</u>	<u>\$ 158,552</u>	<u>\$ 180,672</u>	<u>\$ 241,057</u>

See accompanying notes and accountants' report.

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER, 31, 2009 (WITH SUMMARIZED INFORMATION FOR 2008)**

	PROGRAM SERVICES					SUPPORTING SERVICES					2009 Total Expenses	2008 Total Expenses
	After- School Program	Summer and Vacation Program	Girls Program	Teen Program	Special Events	Total Program Services	Management and General	Fundraising	Total Supporting Services			
Personnel expenses:												
Salaries and wages	\$ 51,536	\$ 15,779	\$ 4,593	\$ 10,821	\$ 6,142	\$ 88,871	\$ 18,042	\$ 9,021	\$ 27,063	\$ 115,934	\$ 117,308	
Payroll taxes and benefits	12,674	3,882	1,130	2,661	1,511	21,858	5,304	1,352	6,656	28,514	30,078	
<b>Total Personnel Expenses</b>	<b>64,210</b>	<b>19,661</b>	<b>5,723</b>	<b>13,482</b>	<b>7,653</b>	<b>110,729</b>	<b>23,346</b>	<b>10,373</b>	<b>33,719</b>	<b>144,448</b>	<b>147,386</b>	
Operating expenses:												
Special events	-	-	-	-	9,453	9,453	-	-	-	9,453	9,060	
Program expenses	3,656	3,250	406	813	-	8,125	-	-	-	8,125	22,080	
Depreciation:												
Building and improvements	2,676	2,676	1,338	2,230	-	8,920	-	-	-	8,920	10,397	
Equipment	520	520	223	223	-	1,486	1,335	149	1,484	2,970	2,553	
Utilities	4,699	2,136	854	854	-	8,543	1,131	377	1,508	10,051	14,033	
Insurance	2,929	2,929	325	325	-	6,508	652	72	724	7,232	11,624	
Office supplies and expenses	384	288	192	96	-	960	3,437	400	3,837	4,797	9,606	
Professional fees	608	608	68	68	-	1,352	2,833	315	3,148	4,500	5,500	
Repairs and maintenance	802	802	89	89	-	1,782	447	-	447	2,229	2,335	
Telephone	551	331	110	110	-	1,102	2,058	515	2,573	3,675	3,317	
Fees and licenses	8,799	-	-	-	-	8,799	-	-	-	8,799	6,973	
<b>Total Operating Expenses</b>	<b>25,624</b>	<b>13,540</b>	<b>3,605</b>	<b>4,808</b>	<b>9,453</b>	<b>57,030</b>	<b>11,893</b>	<b>1,828</b>	<b>13,721</b>	<b>70,751</b>	<b>97,478</b>	
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 89,834</b>	<b>\$ 33,201</b>	<b>\$ 9,328</b>	<b>\$ 18,290</b>	<b>\$ 17,106</b>	<b>\$ 167,759</b>	<b>\$ 35,239</b>	<b>\$ 12,201</b>	<b>\$ 47,440</b>	<b>\$ 215,199</b>	<b>\$ 244,864</b>	

See accompanying notes and accountants' report.

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2009 (WITH SUMMARIZED INFORMATION FOR 2008)**

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (60,385)	\$ (5,499)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	11,890	12,950
Noncash donation of equipment received	-	(4,182)
(Increase) decrease in:		
Unconditional promises to give	21,634	(12,213)
Prepaid expenses	(3,584)	117
Increase (decrease) in:		
Accounts payable and accrued expenses	(2,077)	285
Deferred support	-	(46,720)
Net Cash Used by Operating Activities	<u>(32,522)</u>	<u>(55,262)</u>
NET DECREASE IN CASH	(32,522)	(55,262)
Cash, Beginning of Year	<u>55,163</u>	<u>110,425</u>
CASH, END OF YEAR	<u>\$ 22,641</u>	<u>\$ 55,163</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes and accountants' report.

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Organization**

The Boys and Girls Club of Assabet Valley, Inc., (the Organization) was organized under the laws of the Commonwealth of Massachusetts in 1969 as a non-profit organization. Its primary purpose is to provide educational, cultural, recreational and other related charitable activities on behalf of the youth of the Assabet Valley area.

The Organization obtains the majority of its support and revenue from grants, special fundraising events and program service fees for use of the facility by the youth of the Assabet Valley area.

**Basis of Presentation**

The financial statements of the Organization have been prepared utilizing the Accounting Standards Codification (ASC) 958, "Accounting for Not-for-Profit Organizations" (formerly SFAS 117, *Financial Statements of Not-for-Profit Organizations* and SFAS 116 *Accounting for Contributions Received and Contributions made.*)

The financial statements of the Organization have been prepared on the accrual basis of accounting and utilizing Statement of Financial Accounting Standards ("SFAS") No. 116, "Accounting for Contributions Received and Made", and SFAS No. 117, "Financial Statements of Not-for-Profit Organizations".

ASC 958 requires that unconditional promises to give (pledges) be recorded as receivables and revenues at the time the pledge is received, and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. It also establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories (unrestricted, temporarily restricted and permanently restricted) according to externally (donor) imposed restrictions. A description of the three net asset categories follows:

Unrestricted net assets include (1) support for which no donor restriction has been imposed or for which the donor-imposed restriction has been met in the same reporting period and (2) the excess of revenues over expenses resulting from the Organization's operations.

Temporarily restricted net assets consist of all support received or receivable, which are either purpose-restricted or time-restricted by donors.



**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

**Basis of Presentation (Continued)**

Permanently restricted net assets result from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

The Board of Directors and the management of the Organization acknowledge that, to the best of their ability, all assets received have been used for the purpose for which they were contributed, or have been accumulated to allow management to conduct the operations of the Organization as effectively and efficiently as possible.

**Use of 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.

**Contributions**

The Organization recognizes contribution revenue when an unconditional pledge is made or when cash is received if a pledge was not made. Contributions received are reported as unrestricted, temporarily restricted, or permanently restricted, based on donor intent.

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)**

**Cash and Cash Equivalents**

The Organization considers all money market funds and highly liquid investments with maturity dates of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

**Property and Equipment**

Property and equipment are carried at cost. Acquisitions of property and equipment in excess of \$500 are capitalized. Maintenance, repairs and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included in income.

Depreciation and amortization of property and equipment are provided using both straight-line and accelerated methods over the following estimated useful lives:

	<u>Years</u>
Building	40
Building improvements	10
Equipment	5-7

Depreciation expense for the years ended December 31, 2009 and 2008 amounted to \$11,890 and \$12,950, respectively.

**Income Taxes**

The Organization is a non-profit corporation and qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. As such, its normal activities do not result in any income tax liability.

**Functional Classification of Expenses**

The Organization allocates its expenses on a functional basis among its various programs including fundraising activities and support services. Expenses and support services that can be identified with a specific program are allocated directly according to their natural expenditure classification. Other expenses that are common to several programs are allocated based on various relationships.

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**NOTE 2 - UNCONDITIONAL PROMISES TO GIVE:**

The total receivable of unconditional promises to give amount to \$4,710 and \$26,344 as of December 31, 2009 and 2008, respectively. Unconditional promises to give that are receivable in less than one year and amount to \$4,710 and \$22,811 as of December 31, 2009 and 2008, respectively.

**NOTE 3 - PROPERTY AND EQUIPMENT:**

The balances of the major classes of depreciable and non-depreciable assets consist of the following at December 31, 2009 and 2008, respectively:

	<u>2009</u>	<u>2008</u>
Building	\$230,000	\$230,000
Land	100,000	100,000
Equipment	32,405	32,405
Building improvements	<u>61,695</u>	<u>61,695</u>
Total	<u>\$424,100</u>	<u>\$424,100</u>

Accumulated depreciation consists of the following at December 31, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Building	\$178,729	\$172,979
Equipment	24,334	21,364
Building improvements	<u>54,414</u>	<u>51,244</u>
Total	<u>\$257,477</u>	<u>\$245,587</u>

**NOTE 4 - RESTRICTIONS ON BUILDING AND LAND:**

The building and land owned by the Organization were originally obtained in 1976. The property is subject to various restrictions imposed by the Town of Maynard that include use of the property solely for the charitable and fundraising purposes of the Organization, and limitations on both encumbrances and the ability to sublet the property. In addition, the Town of Maynard retains a right of first refusal to purchase the property in the event of any proposed sale, conveyance, transfer or other disposition of the property. The organization considers the building, land and building improvements, net of accumulated depreciation to permanently restricted net assets.

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**NOTE 5 – CONCENTRATIONS OF CREDIT RISK:**

The Organization has a concentration of credit risk with respect to unconditional promises to give from a donor who was in excess of 10% of the total unconditional promises to give balance at December 31, 2009. The donors' balances amounted to \$4,710, or 100% of the total unconditional promises to give balance at December 31, 2009.

The Organization has a concentration of credit risk with respect to unconditional promises to give from two donors who were in excess of 10% of the total unconditional promises to give balance at December 31, 2008. The donors' balances amounted to \$26,344, or 100% of the total unconditional promises to give balance at December 31, 2008.

**NOTE 6 – DONATED SERVICES AND ASSETS:**

The Organization receives contributed services from its officers, directors, and various unrelated third parties. Due to the difficulty in determining the fair value of these services, the accompanying financial statements do not include a revenue or expense provision for these donated services.

The Organization received a donation of equipment consisting of baseball and softball equipment during 2008. The value of this donation included in unrestricted grants was \$4,182.

**NOTE 7 – SPECIAL EVENTS AND REVENUES:**

The Organization received a donation from an annual senior professional golfing tournament at a local country club for providing volunteer services for the event. The Organization also receives a separate grant from an affiliated charitable entity of the country club. This donation and grant accounted for 2% of total public support and revenues of the Organization for the year ended December 31, 2008.

The Organization as part of its programs offers a summer camp. Revenues generated from this program accounted for 16% and 17% of the total public support and revenues of the Organization for the years ended December 31, 2009 and 2008, respectively.

**BOYS AND GIRLS CLUB OF ASSABET VALLEY, INC**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**NOTE 8 - PENSION PLAN:**

Effective January 1, 2003, the Organization subscribed to the Boys & Girls Clubs of America Pension Plan and Trust. Under the plan, all employees who have attained 21 years of age and have one year of service will be eligible to participate in the plan. Participants will fully vest in their pension benefit after three years of service. All contributions to the plan will be made by the Organization in quarterly installments and consist of 10% of each eligible participant's compensation. The Organization's plan contributions and administrative fees included in payroll taxes and benefits on the Statement of Functional expenses for the years ended December 31, 2009 and 2008 amounted to \$6,000 and \$6,075, respectively.

**NOTE 9 - RECLASSIFICATIONS:**

Certain amounts in the 2008 summarized information have been reclassified for comparative purposes to conform with the presentation in the 2009 financial statements.

**NOTE 10 – SUBSEQUENT EVENTS:**

The Organization has evaluated events and transactions occurring after December 31, 2009 through November 15, 2010 the date which the financial statements were available to be issued, for potential recognitions or disclosure in these financial statements.