

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF
ANDERSON, SOUTH CAROLINA**

REPORT ON THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF
ANDERSON, SOUTH CAROLINA**

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Young Men's Christian Association of Anderson, South Carolina
Anderson, South Carolina

Opinion

We have audited the accompanying financial statements of the Young Men's Christian Association of Anderson, South Carolina (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2021, 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 referred to above present fairly, in all material respects, the financial position of Young Men's Christian Association of Anderson, South Carolina as of December 31, 2021, and the changes in 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 Young Men's Christian Association of Anderson, South Carolina 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 these 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 Young Men's Christian Association of Anderson, South Carolina's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Members
American Institute of Certified Public Accountants
S.C. Association of Certified Public Accountants



The Board of Directors
Young Men's Christian Association of Anderson, South Carolina
May 27, 2022

Auditor's 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Young Men's Christian Association of Anderson, South Carolina'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Young Men's Christian Association of Anderson, South Carolina'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.

The Board of Directors
Young Men's Christian Association of Anderson, South Carolina
May 27, 2022

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Schedule is presented for purposes of additional analysis and is not 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 audit 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.

McKinley, Cooper & Co., LLC

Greenville, South Carolina
May 27, 2022

YOUNG MEN'S CHRISTIAN ASSOCIATION OF
ANDERSON, SOUTH CAROLINA
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021

ASSETS

	Without Donor Restrictions		
	Operating Fund	With Donor Restrictions	Total
CURRENT ASSETS			
Cash on hand and in banks	\$ 2,536,764	\$ 2,807,408	\$ 5,344,172
Certificates of deposit	432,002	-	432,002
Contributions receivable	1,700,196	-	1,700,196
Other receivables	2,836	-	2,836
Investments	-	327,974	327,974
Total current assets	4,671,798	3,135,382	7,807,180
PROPERTY AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION	10,876,822	-	10,876,822
TOTAL ASSETS	\$ 15,548,620	\$ 3,135,382	\$ 18,684,002

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES			
Accounts payable	\$ 98,235	\$ -	\$ 98,235
Accrued expenses	72,397	-	72,397
Deferred revenue	35,623	-	35,623
Current portion of notes payable	124,721	-	124,721
Current portion of bonds payable	320,500	-	320,500
Total current liabilities	651,476	-	651,476
LONG-TERM LIABILITIES			
Notes payable	33,152	-	33,152
Bonds payable	5,021,496	-	5,021,496
Total long-term liabilities	5,054,648	-	5,054,648
TOTAL LIABILITIES	5,706,124	-	5,706,124
NET ASSETS	9,842,496	3,135,382	12,977,878
TOTAL LIABILITIES AND NET ASSETS	\$ 15,548,620	\$ 3,135,382	\$ 18,684,002

The accompanying notes are an integral part of these financial statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF
ANDERSON, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021**

	Without Donor Restrictions		With Donor Restrictions	Total
	Operating Fund			
SUPPORT AND REVENUE				
Public Support				
Contributions	\$ 230,203	\$ 5,127,489		\$ 5,357,692
United Way allocation	75,563	-		75,563
Grants	690,880	-		690,880
Total public support	<u>996,646</u>	<u>5,127,489</u>		<u>6,124,135</u>
Revenue				
Membership dues	2,116,083	-		2,116,083
Program fees	1,505,331	-		1,505,331
Special events	195,340	-		195,340
Sales and services	49,170	-		49,170
Investment income	3,069	60,728		63,797
Miscellaneous income	597,624	-		597,624
Joiner fees	50	-		50
Total revenue	<u>4,466,667</u>	<u>60,728</u>		<u>4,527,395</u>
Net Assets Released from Restriction	<u>2,324,657</u>	<u>(2,324,657)</u>		<u>-</u>
Total support and revenue	<u>7,787,970</u>	<u>2,863,560</u>		<u>10,651,530</u>
EXPENSES				
Program services				
Child care	822,519	-		822,519
Fitness/membership	1,477,463	-		1,477,463
Athletic recreation	541,667	-		541,667
Aquatics	866,687	-		866,687
Total program services	<u>3,708,336</u>	<u>-</u>		<u>3,708,336</u>
Supporting services				
Fundraising	249,399	-		249,399
Management and general	540,659	-		540,659
Total supporting services	<u>790,058</u>	<u>-</u>		<u>790,058</u>
TOTAL EXPENSES	<u>4,498,394</u>	<u>-</u>		<u>4,498,394</u>
CHANGES IN NET ASSETS	3,289,576	2,863,560		6,153,136
NET ASSETS, beginning of year	<u>6,552,920</u>	<u>271,822</u>		<u>6,824,742</u>
NET ASSETS, end of year	<u>\$ 9,842,496</u>	<u>\$ 3,135,382</u>		<u>\$ 12,977,878</u>

The accompanying notes are an integral part of these financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ANDERSON, SOUTH CAROLINA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	PROGRAM SERVICES				TOTAL	SUPPORTING SERVICES		TOTAL
	Child	Fitness/	Athletic		PROGRAM		Management	ALL
	Care	Membership	Recreation	Aquatics	SERVICES	Fundraising	and General	SERVICES
Salaries	\$ 489,061	\$ 674,188	\$ 102,051	\$ 313,677	\$ 1,578,977	\$ 104,673	\$ 280,135	\$ 1,963,785
Employee benefits	53,941	51,572	32,738	32,177	170,428	-	17,523	187,951
Payroll taxes	37,413	51,575	7,807	23,996	120,791	8,007	22,787	151,585
Contract insurance and officials	-	11,947	54,069	-	66,016	-	-	66,016
Professional services	4,428	4,428	4,428	4,428	17,712	18,597	17,459	53,768
Supplies	59,377	18,037	91,061	43,875	212,350	10,387	9,813	232,550
Telephone	6,701	1,860	1,860	1,860	12,281	1,860	1,576	15,717
Postage	683	2,007	683	683	4,056	974	-	5,030
Occupancy	21,473	156,635	18,615	68,288	265,011	2,057	22,421	289,489
Equipment rental and maintenance	37,613	57,403	60,969	122,443	278,428	-	54,589	333,017
Insurance	27,755	27,553	27,553	27,553	110,414	-	17,565	127,979
Printing/promotion	6,167	9,125	8,790	6,390	30,472	10,865	-	41,337
Travel	1,833	1,495	2,107	2,350	7,785	547	3,320	11,652
Meetings and conferences	452	1,717	-	1,067	3,236	1,565	1,307	6,108
Membership dues	19,105	39,500	8,319	7,546	74,470	4,084	1,532	80,086
Special events	-	-	-	29,357	29,357	76,520	-	105,877
Interest	5,254	102,363	21,448	49,867	178,932	-	26,633	205,565
Miscellaneous	-	-	-	2,666	2,666	-	3,324	5,990
Uncollectible pledges/bad debts	-	3,971	-	-	3,971	9,262	-	13,233
Depreciation and amortization expense	51,263	262,087	99,169	128,464	540,983	-	60,675	601,658
TOTAL EXPENSES	<u>\$ 822,519</u>	<u>\$ 1,477,463</u>	<u>\$ 541,667</u>	<u>\$ 866,687</u>	<u>\$ 3,708,336</u>	<u>\$ 249,399</u>	<u>\$ 540,659</u>	<u>\$ 4,498,394</u>

The accompanying notes are an integral part of these financial statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF
ANDERSON, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 6,153,136
Adjustments to reconcile change in net assets to net cash provided by operations	
Depreciation and amortization	601,658
Changes in deferred and accrued amounts	
Contributions receivable	(1,329,235)
Deferred revenue	13,385
Accounts payable	(35,180)
Accrued expenses	1,084
Other receivable	(1,220)
Net cash provided by operating activities	<u>5,403,628</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Acquisition of property and equipment	(1,182,612)
Short-term investments, net	(72,588)
Net cash (used for) investing activities	<u>(1,255,200)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from loans	
Payments on notes/bonds payable	(454,548)
Net cash (used for) financing activities	<u>(454,548)</u>

INCREASE IN CASH	3,693,880
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CASH, beginning of year	<u>1,650,292</u>
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CASH, end of year	<u><u>\$ 5,344,172</u></u>
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SUPPLEMENTAL DISCLOSURES

Interest paid	<u><u>\$ 205,565</u></u>
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The accompanying notes are an integral part of these financial statements.

**YOUNG MEN'S CHRISTIAN ASSOCIATION
OF ANDERSON, SOUTH CAROLINA**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACTIVITIES

Activities

The Young Men's Christian Association of Anderson, South Carolina (the "Association") is a not-for-profit organization that provides fitness and recreational facilities for all ages and after school care for children within the Anderson area of South Carolina. The Association's main source of income comes from memberships and program fees.

Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting whereby revenue and support are recognized as earned and expenses are recorded as incurred.

Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions as follows:

The Association has adopted ASU 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities, as it relates to net asset classification and liquidity disclosure. This requires the Association to report donor contributions as without restriction or with restriction, in accordance with donor stipulations.

Net assets without donor restrictions represent resources whose use is not limited or restricted by donors. They generally arise as a result of exchange transactions, unrestricted contributions, or restricted contributions whose restrictions have expired. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Net assets with donor restrictions are those net assets whose use has been limited by donors to specified purposes or to later periods of time.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents, for purposes of the statement of cash flows, are all highly liquid investments with an initial maturity of three months or less.

Donated Services

Donations of securities, materials, facilities and any other nonmonetary items generally are recorded at fair market value when received, provided the Association has a clearly measurable and objective basis for determining the value. If values are not reasonably determinable, the donations are not recorded until such time as the values are determinable.

Functional Allocation of Expenses

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

Use of Estimates

The preparation of the 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 amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Tax Status

The Association has obtained a favorable tax determination letter from the Internal Revenue Service, and management believes that the Association continues to qualify and is therefore tax exempt under Section 501 (c)(3) of the Internal Revenue Code.

The Financial Accounting Standards Board (FASB) Accounting Standards Codification ("ASC") 740-10 prescribes a comprehensive model for how an organization should measure, recognize, present, and disclose in its financial statements uncertain tax positions that the Association has taken or expects to take on a tax return. In accordance with FASB ASC 740-10, the Association recognizes the tax benefits from uncertain tax positions only if it is more-likely-than-not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The Association's income tax filings are subject to audit by various taxing authorities. Management believes there was no significant impact on the Association's financial statements as a result of the adoption of ASC 740-10.

Property and Equipment

Property and equipment additions are recorded at cost or at fair value as of the date received for items received by gift or bequest. Expenditures for repairs, maintenance or additions to property and equipment are reviewed by management, and those representing significant improvements to existing assets or additions to property and equipment are capitalized. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets using the straight-line method.

Fair Value of Financial Instruments

The provisions of topic 820, *Fair Value Measurements and Disclosures*, of the Financial Accounting Standards Board's Accounting Standards Codification, defines fair value, establish a framework for measuring fair value in accounting principles generally accepted in the United States of America, and expands disclosures regarding the fair value measurements of certain financial instruments. Topic 820 addresses acceptable valuation techniques and establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) the reporting entity's own assumptions about market

participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are as follows:

- *Level 1 inputs* are unadjusted quoted prices for identical assets and liabilities in active markets to which the reporting entity has access.
- *Level 2 inputs* are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. They include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable (for example, interest rates), and inputs that are derived from or corroborated by observable market data.
- *Level 3 inputs* are unobservable and are significant to the fair value measurement.

The fair value codification expands disclosures about fair value measurements for certain financial assets and liabilities.

The carrying amounts of cash, receivables, accounts payable, and other accrued liabilities approximate fair value because of the short maturity of these financial instruments. The carrying values of the Association's investments are based on information provided by external investment managers or comparison to quoted market values. The carrying amounts of pledges receivable represent the estimated present values of expected future cash flows.

The Association held mutual funds of \$327,974 at December 31, 2021. These investments constituted Level 1 inputs. The Association had no Level 2 or 3 inputs.

Contributions Receivable

Unconditional contributions receivable are recognized as revenues in the period the promise is received. Conditional contributions receivable are recognized when the conditions on which they depend are substantially met. The Association uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. There was no allowance of uncollectible contributions receivable at December 31, 2021.

NOTE 2 – INVESTMENTS

Investments comprise the following at December 31, 2021:

	<u>Mutual Funds</u>
Cost	\$ 182,216
Appreciation (depreciation) in fair value	<u>145,758</u>
Fair Value	<u><u>\$ 327,974</u></u>

The Association's investment income consists of the following for the year ended December 31, 2021:

	<u>Mutual Funds</u>
Interest and dividend income	\$ 29,736
Net realized gain (loss) on investments	-
Net unrealized gain (loss) on investments	30,992
	<u>\$ 60,728</u>

NOTE 3 – CONTRIBUTIONS RECEIVABLE

The Association conducted a capital campaign to raise money for the construction of a new facility. Contributions to the campaign include pledges made by foundations, corporations, and individuals. The amount for the Capital Campaign is \$33,360, for the Annual Campaign is \$19,820, and for the Duckworth Campaign is \$1,647,016. The following is a summary of unconditional contributions receivable at December 31, 2021:

	<u>Operating Fund</u>
Amount due in:	
Less than one year	<u>\$ 1,700,196</u>
	<u>\$ 1,700,196</u>

Uncollectible contributions receivable are expected to be insignificant.

NOTE 4 – PROPERTY AND EQUIPMENT

A summary of property and equipment follows:

Land	\$ 589,250
Land improvements	168,055
Buildings	15,138,244
Ducworth facility	622,080
Equipment	1,880,784
Vehicles	65,483
Furniture and fixtures	14,013
Improvements - camp	18,972
Water park	474,529
Construction in progress	1,297,380
	<u>20,268,790</u>
Less: accumulated depreciation	<u>(9,391,968)</u>
	<u>\$ 10,876,822</u>

NOTE 5 – ENDOWMENT INVESTMENTS

The Endowment consists of individual donor donations for purposes which the Board has designated as endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Endowment considers all contributions, specifically restricted by the donor, to be permanently restricted and part of the corpus.

Interpretation of Relevant Law

The Board of Directors has interpreted the State Prudent Management Institutional Funds Act (“SPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classifies as permanent net assets with donor restriction (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanent net assets with donor restriction is classified as temporary net assets with donor restriction until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by SPMIFA.

In accordance with UPMIFA, the Association considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund.
2. The purposes of the Association and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Association.
7. The investment policies of the Association.

2021 endowment net asset composition by type of fund as of December 31, 2021:

	Without	With Donor Restriction		Total
	Donor Restriction	Temporarily	Permanently	
Endowment funds	\$ -	\$ -	\$ 335,805	\$ 335,805

Changes in endowment net assets for the year ended December 31, 2021:

	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, December 31, 2020	\$ -	\$ 271,822	\$ 271,822
Investment return:			
Investment income (loss), net	-	29,736	29,736
Net appreciation (depreciation) realized and unrealized	-	30,992	30,992
Contributions/withdrawals	-	3,255	3,255
Appropriations of endowment assets for expenditure	-	-	-
Net assets released from restrictions	-	-	-
Endowment net assets, December 31, 2021	<u>\$ -</u>	<u>\$ 335,805</u>	<u>\$ 335,805</u>

Funds with Deficiencies

From time to time, the fair value of assets associated with Board restricted endowment funds may fall below the level that the Board requires the Endowment Corporation to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2021.

Return Objectives and Risk Parameters

The Endowment Corporation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that achieve conservative growth with moderate income; preservation of capital is a very important long-term objective. The Endowment Corporation expects its endowment funds, over rolling five-year periods, to provide an average rate of return of approximately seven percent annually. Actual returns in any given year may vary from this amount.

NOTE 6 – NOTES PAYABLE

Notes payable consist of the following at December 31, 2021:

	<u>Current</u>	<u>Long-term</u>
Note payable, due in monthly installments of \$3,357 including interest of 2.58% per annum. Final payment is due October 15, 2023. The note is secured by equipment and buildings.	\$ 38,886	\$ 33,152
Note payable, due in annual installments of \$30,000 with no stated interest, with final payment due upon receipt of pledged contributions related to this note. The note is secured by a water park with a book value of \$104,879 on December 31, 2021.	30,778	-
Note payable, due in monthly installments of \$3,992 including interest of 4.25% per annum. Final payment is due September 5, 2022. The note is secured by fitness equipment with a book value of \$14,203 on December 31, 2021.	43,498	-
Note payable due in monthly installments of \$2,361 including interest of 4.75% per annum. Final payment is due March 2, 2022. The note is secured by fitness equipment with a book value of \$34,213 on December 31, 2021.	11,559	-
	<u>\$ 124,721</u>	<u>\$ 33,152</u>

Future maturities of long-term notes payable are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2022	\$ 124,721
2023	33,152
	<u>\$ 157,873</u>

NOTE 7 – BONDS PAYABLE

The following is a summary of bonds payable at December 31, 2021:

	<u>Current</u>	<u>Long-term</u>
On June 30, 2016, The South Carolina Jobs- Economic Development Authority issued \$7,000,000 revenue bonds for the construction of the Association's addition to the Wellness area and payoff of the November 1999 bond issue. Branch Banking and Trust Company is the trustee of the funds. The bonds are 20 year bonds with payment beginning July 2016, with final payment due June 2036. The initial payments are \$33,324 per month including interest. Payments will increase on the anniversary date of the bond issue. Funds for the new construction were disbursed and held in escrow at Branch Banking and Trust Company to be disbursed as construction progresses. The interest rate is variable and based on LIBOR rate. The rate is 1.43% per annum at December 31, 2021.	<u>\$ 320,500</u>	<u>\$ 5,021,496</u>

Maturities of long-term bonds payable are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2022	\$ 320,500
2023	326,915
2024	333,916
2025	340,504
2026	346,919
2027 and thereafter	3,673,242
	<u>\$ 5,341,996</u>

NOTE 8 – RESTRICTED NET ASSETS

Assets were restricted for the following purposes at December 31, 2021:

With donor restrictions	\$ 335,805
Ducworth cash	2,799,577
	<u>\$ 3,135,382</u>

NOTE 9 – LIQUIDITY AND AVAILABILITY OF FUNDS

The Association's financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the date of the statements of assets, liabilities and net assets, are as follows:

Cash and cash equivalents	\$ 2,536,764
Receivables	2,836
	<hr/>
	\$ 2,539,600
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As part of the Association's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures and other obligations come due.

NOTE 10 – RETIREMENT

The Association participates in the National YMCA's retirement plan. For eligible employees, the Association contributes 12% of their gross salaries to the plan. The amount contributed for the year ended December 31, 2021 totaled \$130,022 and is recorded in employee benefits on the Statement of Activities and Changes in Net Assets.

NOTE 11 – CONCENTRATION OF CREDIT RISK

The Association maintains cash balances and certificates of deposits in several financial institutions in Anderson County. Accounts at each institution are insured by Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021, the Association's uninsured balances totaled \$5,021,293. The Association has not experienced any losses in its bank accounts and believes it is not exposed to any significant credit risk on cash balances.

NOTE 12 – EVALUATION OF SUBSEQUENT EVENTS

The Association has evaluated subsequent events through the date of the auditor's report, which is the date the financial statements were issued.

SUPPLEMENTAL SCHEDULE

**YOUNG MEN'S CHRISTIAN ASSOCIATION OF
ANDERSON, SOUTH CAROLINA
SCHEDULE OF OPERATING FUND
BUDGET TO ACTUAL
YEAR ENDED DECEMBER 31, 2021**

	Operating Fund	Budget	Variance Favorable/ Unfavorable
SUPPORT AND REVENUE			
Public support			
Contributions	\$ 230,203	\$ 231,000	\$ (797)
United Way allocation	75,563	63,676	11,887
Grants	690,880	32,786	658,094
Total public support	<u>996,646</u>	<u>327,462</u>	<u>669,184</u>
Revenue			
Membership dues	2,116,083	2,119,123	(3,040)
Program fees	1,505,331	1,348,359	156,972
Special events	195,340	248,696	(53,356)
Sales and services	49,170	28,160	21,010
Investment income	3,069	8,100	(5,031)
Miscellaneous income	597,624	600	597,024
Joiner fees	50	-	50
Total revenue	<u>4,466,667</u>	<u>3,753,038</u>	<u>713,629</u>
Net assets released from restriction	<u>2,324,657</u>	<u>-</u>	<u>2,324,657</u>
Total support and revenue	<u>7,787,970</u>	<u>4,080,500</u>	<u>3,707,470</u>
EXPENSES			
Salaries	1,963,785	1,895,299	(68,486)
Employee benefits	187,951	201,725	13,774
Payroll taxes	151,586	148,229	(3,357)
Program contract instructors and officials/professional services	119,781	96,870	(22,911)
Supplies	232,550	187,031	(45,519)
Telephone	15,717	16,100	383
Postage and shipping	5,030	6,500	1,470
Occupancy	289,489	340,724	51,235
Equipment rental and maintenance	333,016	375,353	42,337
Insurance	127,979	132,219	4,240
Printing and promotion	41,337	36,536	(4,801)
Travel	11,653	13,000	1,347
Meetings and conferences	6,108	11,600	5,492
Membership dues	80,089	79,548	(541)
Special events	105,877	125,200	19,323
Interest	205,565	196,109	(9,456)
Miscellaneous	5,990	-	(5,990)
Uncollectible pledges	13,233	9,000	(4,233)
Total expenses before depreciation	<u>3,896,736</u>	<u>3,871,043</u>	<u>(25,693)</u>
Depreciation and amortizaion	<u>601,658</u>	<u>618,151</u>	<u>16,493</u>
Total expense	<u>4,498,394</u>	<u>4,489,194</u>	<u>(9,200)</u>
Change in net assets	3,289,576	(408,694)	3,698,270
NET ASSETS, BEGINNING OF YEAR	<u>6,552,920</u>	<u>6,552,920</u>	<u>-</u>
NET ASSETS, END OF YEAR	<u>\$ 9,842,496</u>	<u>\$ 6,144,226</u>	<u>\$ 3,698,270</u>