**BOYS AND GIRLS CLUBS OF THE TWIN CITIES
AND BOYS AND GIRLS CLUB OF
THE TWIN CITIES FOUNDATION**

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2015 AND 2014

BOYS AND GIRLS CLUBS OF THE TWIN CITIES
AND BOYS AND GIRLS CLUB OF THE TWIN CITIES FOUNDATION
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YEARS ENDED AUGUST 31, 2015 AND 2014

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Boys and Girls Clubs of the Twin Cities and
Boys and Girls Club of the Twin Cities Foundation
St. Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Boys and Girls Clubs of the Twin Cities and Boys and Girls Club of the Twin Cities Foundation (nonprofit organizations), which comprise the consolidated balance sheets as of August 31, 2015 and 2014, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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.

Board of Directors
Boys and Girls Clubs of the Twin Cities and
Boys and Girls Club of the Twin Cities Foundation

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Clubs of the Twin Cities and Boys and Girls Club of the Twins Cities Foundation as of August 31, 2015 and 2014, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
December 15, 2015

BOYS AND GIRLS CLUBS OF THE TWIN CITIES
AND BOYS AND GIRLS CLUB OF THE TWIN CITIES FOUNDATION
CONSOLIDATED BALANCE SHEETS
AUGUST 31, 2015 AND 2014

	2015	2014
ASSETS		
Cash and Cash Equivalents	$ 380,200	$ 674,630
Receivables	105,446	93,658
Pledges and Grants Receivable	469,919	769,371
Remainder Trust Receivable	97,000	104,000
Prepaid Expenses	77,925	65,215
Investments	7,233,568	7,755,877
Cash Surrender Value of Life Insurance Policies	92,000	98,800
Community Foundation Funds	174,982	185,702
Fixed Assets - Net	13,099,350	13,704,936
Total Assets	$ 21,730,390	$ 23,452,189
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	$ 453,552	$ 616,490
Deferred Revenue	154,900	249,150
Lines of Credit	8,581	150,716
Notes Payable	829,118	957,090
Total Liabilities	1,446,151	1,973,446
NET ASSETS		
Unrestricted	8,900,881	9,228,195
Unrestricted - Board Designated	88,057	103,559
Subtotal - Unrestricted	8,988,938	9,331,754
Temporarily Restricted	6,805,318	7,436,264
Permanently Restricted	4,489,983	4,710,725
Total Net Assets	20,284,239	21,478,743
Total Liabilities and Net Assets	$ 21,730,390	$ 23,452,189

See accompanying Notes to Consolidated Financial Statements.

BOYS AND GIRLS CLUBS OF THE TWIN CITIES
AND BOYS AND GIRLS CLUB OF THE TWIN CITIES FOUNDATION
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED AUGUST 31, 2015 AND 2014

	2015			
OPERATING	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE, GAINS, AND OTHER SUPPORT				
Contributions, Including In-Kind Contributions of $149,982 and $87,876, Respectively	$ 2,023,143	$ 120,765	$ 20,700	$ 2,164,609
Contributions - Deepening the Impact	-	-	-	-
Special Events, Net of Expenses of $249,291 and $229,466, Respectively	762,489	-	-	762,489
Grants and Contracts	1,018,631	3,500	-	1,022,131
Program Fees	253,059	8,857	-	261,916
Investment Income	280	-	-	280
Change in Value of Split Interest Agreements	-	(13,800)	-	(13,800)
Rental Income	17,520	-	-	17,520
Other Income	548	-	-	548
Net Assets Released from Restrictions - Operating	605,739	(605,739)	-	-
Total Revenue, Gains, and Other Support	4,681,409	(486,416)	20,700	4,215,693
EXPENSES				
Program Services	3,981,789	-	-	3,981,789
Support Services:				
Administration	562,078	-	-	562,078
Fundraising	593,419	-	-	593,419
Total Support Services	1,155,497	-	-	1,155,497
Total Expenses	5,137,286	-	-	5,137,286
CHANGE IN NET ASSETS OPERATING	(455,877)	(486,416)	20,700	(921,593)
NON-OPERATING				
Change in Value of Community Foundation	-	-	(10,720)	(10,720)
Capital Campaign Contributions	-	33,529	-	33,529
Capital Campaign Expenses	(8,560)	-	-	(8,560)
Jerry Gamble All-Star Event Contributions	5,534	-	-	5,534
Jerry Gamble All-Star Event Expenses	(3,236)	-	-	(3,236)
Gain on Disposal of Assets	350	-	-	350
Capital Contributions	30,613	-	-	30,613
Investment Gain (Loss)	(25,674)	(84,025)	(210,722)	(320,421)
Net Assets Released from Restrictions - Capital	114,034	(94,034)	(20,000)	-
Change in Net Assets Non-Operating	113,061	(144,530)	(241,442)	(272,911)
TOTAL CHANGE IN NET ASSETS	(342,816)	(630,946)	(220,742)	(1,194,504)
Net Assets - Beginning of Year	9,331,754	7,436,264	4,710,725	21,478,743
NET ASSETS - ENDING	$ 8,988,938	$ 6,805,318	$ 4,489,983	$ 20,284,239

See accompanying Notes to Consolidated Financial Statements.

2014			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
$ 2,085,155	$ 346,118	$ 20,000	$ 2,451,273
13,300	-	-	13,300
706,469	-	-	706,469
759,540	4,000	-	763,540
229,141	4,536	-	233,677
502	-	-	502
-	14,400	-	14,400
18,803	-	-	18,803
177	-	-	177
661,402	(661,402)	-	-
4,474,489	(292,348)	20,000	4,202,141
4,004,020	-	-	4,004,020
615,209	-	-	615,209
650,905	-	-	650,905
1,266,114	-	-	1,266,114
5,270,134	-	-	5,270,134
(795,645)	(292,348)	20,000	(1,067,993)
-	-	8,969	8,969
-	37,540	-	37,540
(13,707)	-	-	(13,707)
996,872	43,213	-	1,040,085
(18,590)	-	-	(18,590)
2,530	-	-	2,530
-	-	-	-
50,088	691,290	317,055	1,058,433
143,250	(123,250)	(20,000)	-
1,160,443	648,793	306,024	2,115,260
364,798	356,445	326,024	1,047,267
8,966,956	7,079,819	4,384,701	20,431,476
$ 9,331,754	$ 7,436,264	$ 4,710,725	$ 21,478,743

BOYS AND GIRLS CLUBS OF THE TWIN CITIES
AND BOYS AND GIRLS CLUB OF THE TWIN CITIES FOUNDATION
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED AUGUST 31, 2015 AND 2014

	2015				
		Support Services			
	Program Services	Administration	Fundraising	Total Support Services	Total
OPERATING					
Salaries and Wages	$ 1,614,696	$ 318,486	$ 392,129	$ 710,615	$ 2,325,311
Payroll Taxes	120,416	29,209	29,181	58,390	178,806
Benefits	262,145	48,510	45,231	93,741	355,886
Total Personnel Costs	1,997,257	396,205	466,541	862,746	2,860,003
Utilities	264,103	8,308	14,913	23,221	287,324
Supplies	342,601	9,359	6,971	16,330	358,931
In-Kind Program Incentives	34,056	-	-	-	34,056
Insurance	110,134	6,325	8,374	14,699	124,833
Professional Fees	81,588	80,720	32,470	113,190	194,778
Maintenance and Repairs	114,673	9,364	3,715	13,079	127,752
Interest Expense	26,379	13,899	11,043	24,942	51,321
Staff Training	1,576	697	1,321	2,018	3,594
National and Regional Dues	39,502	716	809	1,525	41,027
Telephone	43,312	4,377	8,408	12,785	56,097
Rent	23,000	-	-	-	23,000
In-Kind Rent	74,720	-	-	-	74,720
Travel	67,207	13,665	9,178	22,843	90,050
Postage and Printing	24,212	3,291	19,932	23,223	47,435
Scholarships	19,291	-	-	-	19,291
Other	872	584	2,873	3,457	4,329
Total Before Depreciation	3,264,483	547,510	586,548	1,134,058	4,398,541
Depreciation	717,307	14,570	6,872	21,442	738,749
Total Operating	3,981,789	562,080	593,420	1,155,500	5,137,290
NON-OPERATING					
Other	11,796	-	-	-	11,796
Total Non-Operating	11,796	-	-	-	11,796
SUBTOTAL BEFORE SPECIAL EVENTS	3,993,585	562,080	593,420	1,155,500	5,149,086
Special Events	-	-	249,291	249,291	249,291
Total	$ 3,993,585	$ 562,080	$ 842,711	$ 1,404,791	$ 5,398,377

See accompanying Notes to Consolidated Financial Statements.

2014				
	Support Services			
Program Services	Administration	Fundraising	Total Support Services	Total
$ 1,666,042	$ 353,758	$ 393,035	$ 746,793	$ 2,412,835
125,512	25,633	40,640	66,273	191,785
240,051	57,949	31,925	89,874	329,925
2,031,605	437,340	465,600	902,940	2,934,545
275,904	9,281	16,268	25,549	301,453
278,172	13,967	10,627	24,594	302,766
56,436	-	-	-	56,436
111,399	5,983	6,752	12,735	124,134
81,548	63,836	52,123	115,959	197,507
115,343	18,184	7,003	25,187	140,530
33,346	16,049	13,095	29,144	62,490
1,174	2,333	2,215	4,548	5,722
39,778	576	1,271	1,847	41,625
45,931	4,228	7,391	11,619	57,550
23,117	-	-	-	23,117
74,720	-	-	-	74,720
69,453	15,906	11,939	27,845	97,298
20,309	5,664	43,608	49,272	69,581
5,875	-	-	-	5,875
322	3,651	3,398	7,049	7,371
3,264,432	596,998	641,290	1,238,288	4,502,720
739,588	18,211	9,615	27,826	767,414
4,004,020	615,209	650,905	1,266,114	5,270,134
32,297	-	-	-	32,297
32,297	-	-	-	32,297
4,036,317	615,209	650,905	1,266,114	5,302,431
-	-	229,466	229,466	229,466
$ 4,036,317	$ 615,209	$ 880,371	$ 1,495,580	$ 5,531,897

BOYS AND GIRLS CLUBS OF THE TWIN CITIES
AND BOYS AND GIRLS CLUB OF THE TWIN CITIES FOUNDATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ (921,593)	$ (1,067,993)
Adjustments to Reconcile Change in Operating Net Assets to Cash Provided (Used) by Operating Activities:		
Net Non-Operating Activity	(272,911)	2,115,260
Depreciation	738,749	767,414
Amortization of Donated Building Lease	74,720	74,720
Donated Fixed Assets	(115,926)	(30,117)
Gain on Disposal of Fixed Assets	(350)	(2,530)
Realized Gain on Investments	(18,813)	(48,985)
Unrealized Gain on Investments	499,763	(898,731)
Change in Cash Surrender Value of Life Insurance Policies	6,800	(12,400)
Change in Value of Remainder Trust Receivable	7,000	(2,000)
Change in Value of Community Foundation Assets	10,720	(8,969)
Contributions for Long-Term Purposes	(33,529)	(37,540)
Change in Present Value Discount on Pledges and Grants Receivable	7,529	7,540
(Increases) Decreases in Current Assets:		
Receivables	(11,788)	75,431
Pledges and Grants Receivable	236,981	(60,711)
Prepaid Expenses and Other Current Assets	(12,710)	(9,884)
Increases (Decreases) in Current Liabilities:		
Accounts Payable and Accrued Expenses	(162,938)	283,189
Deferred Revenue and Advances	(94,250)	70,229
Net Cash Provided (Used) by Operating Activities	(62,546)	1,213,923
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Marketable Securities	(185,982)	(250,082)
Sales of Marketable Securities	227,341	473,468
Purchases of Fixed Assets	(91,607)	(1,142,286)
Net Cash Used by Investing Activities	(50,248)	(918,900)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of Notes Payable	(127,972)	(158,020)
Proceeds from Long-Term Debt	-	123,206
Contributions for Long-Term Purposes	88,471	200,910
Net Change in Line of Credit	(142,135)	(159,064)
Net Cash Provided (Used) by Financing Activities	(181,636)	7,032
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(294,430)	302,055
Cash and Cash Equivalents - Beginning	674,630	372,575
CASH AND CASH EQUIVALENTS - ENDING	$ 380,200	$ 674,630
SUPPLEMENTAL INFORMATION		
Donated Fixed Assets	$ 115,926	$ 30,117
Cash Paid for Interest	$ 51,321	$ 62,490
Refinancing of Debt	$ -	$ 740,000

See accompanying Notes to Consolidated Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Activities

Boys and Girls Clubs of the Twin Cities (the Clubs) is a not-for-profit organization which provides programs to build character for boys and girls, ages 6 through 18. These programs are provided through eight urban Twin Cities youth facilities and one camp facility located outside of the Twin Cities metropolitan area. Substantially all of the Clubs' activities are financed by public support.

Boys and Girls Club of the Twin Cities Foundation (the Foundation) was incorporated to, among other matters, advance, support and promote the growth and development of the Clubs. In January 1986, the Clubs transferred all assets of the Living Memorial Endowment Fund and the Boys and Girls Clubs of Minneapolis Endowment Fund to the Foundation. In March 1998, the Clubs transferred $98,113 to the Foundation to be used to fund scholarships. The Foundation has agreed to abide by all restrictions imposed by the donors as to the use of these funds and the related investment income.

All members of the Foundation's Board of Directors are also members of the Clubs' Board of Directors. Because of this common control of the two entities, the accompanying financial statements present the balance sheet and activities of the Clubs and the Foundation on a consolidated basis.

The consolidated financial statements include the accounts of the Clubs and the Foundation (collectively referred to as the Organization). All significant inter-fund transactions have been eliminated.

Basis of Presentation

Net assets and revenues, gains and losses are classified based on donor imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted – Resources over which the board of directors has discretionary control. Designated amounts represent those revenues which the board has set aside for a particular purpose.

Temporarily Restricted – Those resources subject to donor imposed restrictions which will be satisfied by actions of the Organization or passage of time.

Permanently Restricted – Those resources subject to donor imposed restriction that they be maintained permanently by the Organization. The donors of these resources permit the Organization to use all or part of the income earned, including capital appreciation or related investments for unrestricted or temporarily restricted purposes.

The Organization has elected to present temporarily restricted contributions, which are fulfilled in the same time period, within the unrestricted net asset class.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-Operating Income and Expense

Non-operating income and expense includes the investment income of the Foundation, the change in value of community foundation funds, gain or loss on disposal of assets, and capital campaign activities.

In the year ended August 31, 2014, the Organization received over $1,000,000 in capital funds to renovate the old pool area into a multipurpose sports and arts space at the Jerry Gamble Club. This capital project was done in conjunction with the 2014 Major League Baseball (MLB) All-Star Game held in the Twin Cities.

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles (GAAP). Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Concentrations of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist primarily of cash deposits, receivables, and investments. The Organization maintains cash reserves and cash balances in one financial institution. At times, the amounts on deposit may exceed federally insured limits. With respect to investments, the Organization places its investments with one financial institution.

At August 31, 2015, approximately 51% of the pledges and grants receivable balance was attributed to three contributors. At August 31, 2014, approximately 78% of the pledges and grants receivable balance was attributed to five contributors.

For the year ended August 31, 2015, there were no significant contributors for disclosure. For the year ended August 31, 2014, approximately 30% of the contributions revenue was received from two contributors.

Cash and Cash Equivalents

The Organization considers all highly liquid securities purchased with an original maturity of 90 days or less to be cash equivalents.

Accounts Receivable

Receivables are recorded at their net realizable value. The Organization provides an allowance for bad debts using the allowance method, which is based on management judgment considering historical information. An allowance is provided for accounts when a significant pattern of uncollectibility has occurred. No allowance for bad debts was recorded at August 31, 2015 and 2014.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges and Grants Receivable

Pledges and grants that are expected to be collected within one year are recorded at their net realizable value. Grants and pledges that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the pledge is received. Amortization of the discount is included in contribution revenue. Conditional pledges are not included as support until such time as the conditions are substantially met. An allowance of $25,000 and $50,000 for bad debts was recorded at August 31, 2015 and 2014, respectively.

Remainder Trust Receivable

Charitable remainder trusts are recognized as temporarily restricted revenue and as a receivable at the present value of the estimated future benefits to be received when the trust assets are distributed. Any changes in the value of the trust agreements will be reported as a change in the value of trust agreements. One charitable remainder trust has been recorded at present value of approximately $97,000 and $104,000 at August 31, 2015 and 2014, respectively. The present value has been discounted at 7.25%.

Investments

The Organization carries its investments at market value and realized and unrealized gains and losses are reflected in the consolidated statements of activities. Mutual funds, real estate and complementary strategies consist of equities mutual funds, real estate funds and alternative funds carried at quoted market values. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated balance sheets.

Capitalization Policy and Depreciation

The Organization capitalizes land, buildings and equipment in excess of $1,000 cost per item. Facilitates that are leased for rent below market rate are recorded at fair value and are recorded in temporarily restricted net assets. Donated fixed assets are capitalized at their fair market value or appraised value. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted. Costs of current repairs and minor replacements are charged to expense as incurred.

The Organization provides for depreciation of buildings and equipment on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and Leasehold Improvements	15 – 30 Years
Donated Building Use and Land Leases	50 Years
Furniture and Equipment	5 – 10 Years
Software	3 Years
Vehicles	4 Years

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

Deferred revenue consists of sponsorships and ticket revenue received in advance of the Benefit.

Governmental Grants and Contracts

Governmental grants and contract funds are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined in each grant or contract, are made. Expenditures under governmental contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these contracts, the Organization will record such disallowance at the time the final assessment is made.

Contributions

Contributions, unconditional promises to give (pledges receivable), and other assets are recognized at fair values and are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets 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 temporarily or permanently restricted net assets, depending on the nature of the restrictions. When these restrictions expire, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions. It is the Organization's policy to record temporarily restricted contributions received and expended in the same accounting period in the unrestricted net asset class.

Donated Goods and Services

Donated goods and services are valued at their fair market value and are presented as revenue and offsetting program costs.

Functional Expenses

The costs of programs and supporting services have been summarized on a functional basis. Salaries and related expenses are allocated to program and supporting services based on estimated time spent on each program. The remaining expenses are specifically allocated whenever practical and, when this is impractical, are allocated based on the best estimates of management and the board of directors.

Income Tax Status

Both organizations are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and Minnesota Statute. The Internal Revenue Service determined the organizations are not private foundations. The organizations are public charities and contributions to the organizations qualify as charitable tax deductions by the contributor.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status (Continued)

The Organization follows guidance in the Accounting for Uncertainty in Income Taxes Standard. The Organization has no current obligation for unrelated business income tax.

Fair Value Measurement

The Organization accounts for its investments at fair value. The Organization has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets recorded on the consolidated balance sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.

Level 2 – Financial assets and liabilities are valued using inputs quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.

Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset. Level 3 includes long/short funds, private equity, venture capital, hedge fund, and real assets.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 15, 2015, the date the consolidated financial statements were available to be issued.

NOTE 2 PLEDGES AND GRANTS RECEIVABLE

Pledges and grants receivable consist of the following at August 31:

2015	Clubs	Foundation	Total
Pledges and Grants Receivable Due Within One Year	$ 476,819	$ -	$ 476,819
Pledges and Grants Receivable Due Within One to Five Years	20,000	-	20,000
Gross Pledges and Grants Receivable	496,819	-	496,819
Present Value Discount - 5%	(1,900)	-	(1,900)
Allowance for Uncollectible Pledges	(25,000)	-	(25,000)
Net Pledges and Grants Receivable	$ 469,919	$ -	$ 469,919

2014	Clubs	Foundation	Total
Pledges and Grants Receivable Due Within One Year	$ 738,800	$ -	$ 738,800
Pledges and Grants Receivable Due Within One to Five Years	90,000	-	90,000
Gross Pledges and Grants Receivable	828,800	-	828,800
Present Value Discount - 5%	(9,429)	-	(9,429)
Allowance for Uncollectible Pledges	(50,000)	-	(50,000)
Net Pledges and Grants Receivable	$ 769,371	$ -	$ 769,371

NOTE 3 INVESTMENTS

Investments consist of the following at August 31:

		Foundation	
2015	Clubs	Cost	Market
Bonds and Bond Mutual Funds	$ -	$ 1,770,691	$ 1,700,971
Mutual Funds - Equities	-	3,172,731	4,392,842
Real Estate Funds	-	353,054	354,163
Complementary Strategies	-	748,282	785,592
Total Investments	$ -	$ 6,044,758	$ 7,233,568

		Foundation	
2014	Clubs	Cost	Market
Bonds and Bond Mutual Funds	$ -	$ 1,801,333	$ 1,865,215
Mutual Funds - Equities	-	3,144,544	4,660,532
Real Estate Funds	-	342,630	407,903
Complementary Strategies	-	778,797	822,227
Total Investments	$ -	$ 6,067,304	$ 7,755,877

NOTE 3 INVESTMENTS (CONTINUED)

Investment revenue consists of the following at August 31:

	2015		
	Clubs	Foundation	Total
Interest and Dividends	$ 280	$ 224,695	$ 224,975
Realized Gains	-	18,813	18,813
Unrealized Gains	-	(499,763)	(499,763)
Gross Investment Income	280	(256,255)	(255,975)
Less: Investment Fee Expenses	-	(64,166)	(64,166)
Net Investment Income	$ 280	$ (320,421)	$ (320,141)

	2014		
	Clubs	Foundation	Total
Interest and Dividends	$ 502	$ 173,477	$ 173,979
Realized Gains	-	48,985	48,985
Unrealized Gains	-	898,731	898,731
Gross Investment Income	502	1,121,193	1,121,695
Less: Investment Fee Expenses	-	(62,760)	(62,760)
Net Investment Income	$ 502	$ 1,058,433	$ 1,058,935

All investment income of the Clubs is included in operating income, and all investment income of the Foundation is included in non-operating income.

NOTE 4 FIXED ASSETS

Fixed assets consist of the following at August 31:

	2015 Clubs	2014 Clubs
Land and Improvements	$ 542,651	$ 539,303
Building and Leasehold Improvements	16,798,807	16,758,934
Donated Building Use and Land Lease	2,843,608	2,918,328
Furniture and Equipment	2,901,512	2,849,727
Subtotal	23,086,578	23,066,292
Accumulated Depreciation	(9,987,228)	(9,361,356)
Fixed Assets, Net	$ 13,099,350	$ 13,704,936

NOTE 5 NOTES PAYABLE AND LINE OF CREDIT

The following schedule of notes payable reflects the current value of outstanding loans at August 31:

Description	2015	2014
Note Payable - $740,000 fixed interest at 4.05%. Monthly principal and interest payments of $5,515 for 59 months and one balloon payment at time of maturity. Loan secured by property and equipment. Note matures on July 16, 2019.	$ 700,473	$ 737,066
Note Payable - $327,235, fixed interest at 5.00%; unsecured. Monthly principal and interest payments of $8,328 for 43 months. Note matures on December 31, 2016.	128,645	220,024
Total	$ 829,118	$ 957,090

The future annual debt payments consist of the following:

Year	Amount
2016	$ 134,215
2017	73,096
2018	41,784
2019	580,023
Total	$ 829,118

The Organization entered into a business line of credit agreement with a limit of $250,000. Effective May 22, 2014, this agreement was renewed and expires on January 31, 2016. Interest on the line of credit is the financial institution's index plus 1.00%, with an interest rate of no less than 4.5% (4.5% at August 31, 2015) and is secured by a mortgage on certain property. Outstanding balance was $8,581 and $150,716 at August 31, 2015 and 2014, respectively.

The Organization entered into a business line of credit with a limit of $300,000. Effective May 22, 2014, this agreement was renewed and expires on January 31, 2016. Interest on the line of credit is the financial institution's index plus 1.00%, with an interest rate of no less than 4.5% (4.5% at August 31, 2015) and is secured by a mortgage on certain property. There was an outstanding balance of $-0- for both years ended of August 31, 2015 and 2014.

NOTE 6 LEASES

On August 1, 1993, the City of St. Paul and the Boys and Girls Clubs entered into a 30-year lease with the option to renew the lease for two successive terms of 10 years for land for the East Side Club. The yearly rental rate is $1. The fair value of this land was appraised at $1,130,000. The value of the land usage had been recorded at fair market value at the date of donation and is being amortized over the 50-year lease term. Accumulated amortization as of August 31, 2015 and 2014 was $499,082 and $476,482, respectively. Rent expense was $22,600 for 2015 and 2014.

On June 1, 1996, the Organization entered into a lease with the City of St. Paul for land for the West Side Club. The lease is a 30-year lease with the option to renew for two successive terms of 10 years. The yearly rental rate is $1. The fair value of the property had been appraised at $606,000. The value of the land usage has been recorded at fair market value and is being amortized over the 50-year term. Accumulated amortization as of August 31, 2015 and 2014 was $233,310 and $221,190, respectively. Rent expense was $12,120 for 2015 and 2014.

During the year ended August 31, 2012, the Organization entered into a lease with the City of St. Paul for the building for the Mount Airy Club and Administrative Center. The lease is a 30-year lease with the option to renew for two successive terms of 10 years. The yearly rental rate is $1. The fair value of the property had been estimated at $2,000,000. The value of the building usage had been reflected as in-kind revenue in 2012 at its fair market value and is being amortized over the 50-year lease term. Accumulated amortization as of August 31, 2015 and 2014 was $160,000 and $120,000, respectively. Rent expense was $40,000 for 2015 and 2014.

On July 1, 2014, the Organization entered into a ten-year lease with the City of Minneapolis for the Phelps Park Building with an option to renew for two successive terms of five years each. The yearly rental rate is $23,000 and can be adjusted every year based on the consumer price index. Rent expense was $20,000 in 2015 and 2014.

The Organization also has several operating equipment leases. Minimum lease payments under space and equipment leases are as follows for the years ending August 31:

Year	Amount
2016	$ 53,420
2017	40,250
2018	34,835
2019	33,050
2020	25,228
Thereafter	90,084
Total	$ 276,867

NOTE 6 LEASES (CONTINUED)

Lease Income

Starting in May 2012, the Organization signed a sublease and started collecting rental payments from a tenant with commitment signed through April 2016. Future rental minimal lease payments are $900 a month.

In July 2015, the Organization signed a sublease and started collecting rental payments from a second tenant signed through June 2017. Future rental lease payments are $850 a month.

NOTE 7 EMPLOYEE BENEFIT PLAN

The Clubs offer a tax-deferred annuity 403(b) plan to all eligible employees under which eligible employees may contribute 25% of their salary not to exceed annual IRS limitations. The Clubs matches $.50 for every $1.00 of employee contributions up to 3% of the employees' salary. All employee contributions are fully vested. The Clubs' contributions vest 20% per year of eligible service after two years. Full vesting occurs after five years of eligible service. The pension expense was $37,540 and $26,669 for the years ended August 31, 2015 and 2014, respectively.

NOTE 8 NET ASSETS

Unrestricted - Board Designated

The board of directors have designated by board action $151,036 and $192,182, to be used for scholarships in 2015 and 2014, respectively.

Temporarily Restricted

Net assets temporarily restricted consist of the following donor restrictions:

	2015		
	Clubs	Foundation	Total
Donated Building Lease	$ 2,843,608	$ -	$ 2,843,608
Donor Advisory Fund	-	3,671,204	3,671,204
Charitable Remainder Trust	97,000	-	97,000
Voyageur Camp Operations	141,422	-	141,422
Capital Campaign Contributions	115,988	-	115,988
Other Time and Program Restrictions	272,283	(336,187)	(63,904)
Total	$ 3,470,301	$ 3,335,017	$ 6,805,318

NOTE 8 NET ASSETS (CONTINUED)

Temporarily Restricted (Continued)

	2014		
	Clubs	Foundation	Total
Donated Building Lease	$ 2,918,328	$ -	$ 2,918,328
Donor Advisory Fund	-	3,230,596	3,230,596
Charitable Remainder Trust	104,000	-	104,000
Voyageur Camp Operations	137,797	-	137,797
Capital Campaign Contributions	170,957	-	170,957
Other Time and Program Restrictions	433,978	440,608	874,586
Total	$ 3,765,060	$ 3,671,204	$ 7,436,264

Net Assets Released from Restrictions

Net assets were released from donor restriction by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

2015	Clubs	Foundation	Total
Land Usage	$ 74,720	$ -	$ 74,720
Other Time and Program Restrictions	285,657	245,362	531,019
Subtotal - Operating	360,377	245,362	605,739
Capital Campaign Expenses	(8,560)	-	(8,560)
Capital Campaign - Capital Expenditures	122,594	-	122,594
Subtotal - Capital Campaign	114,034	-	114,034
Total Releases	$ 474,411	$ 245,362	$ 719,773

2014	Clubs	Foundation	Total
Land Usage	$ 74,720	$ -	$ 74,720
Other Time and Program Restrictions	323,600	263,082	586,682
Subtotal - Operating	398,320	263,082	661,402
Capital Campaign Expenses	13,707	-	13,707
Capital Campaign - Capital Expenditures	129,543	-	129,543
Subtotal - Capital Campaign	143,250	-	143,250
Total Releases	$ 541,570	$ 263,082	$ 804,652

NOTE 8 NET ASSETS (CONTINUED)

Permanently Restricted

Permanently restricted net assets consist of the following funds at August 31:

2015	Clubs	Foundation	Total
Scholarship	$ 45,580	$ 438,931	$ 484,511
1971 Trust	-	75,750	75,750
Jay and Rose Phillips Endowment	-	500,000	500,000
Fiterman Endowment	-	200,000	200,000
Living Memorial 1965 Trust	-	3,054,740	3,054,740
Community Foundation (Note 13)	-	174,982	174,982
Total	$ 45,580	$ 4,444,403	$ 4,489,983

2014	Clubs	Foundation	Total
Scholarship	$ 65,580	$ 418,931	$ 484,511
1971 Trust	-	75,050	75,050
Jay and Rose Phillips Endowment	-	500,000	500,000
Fiterman Endowment	-	200,000	200,000
Living Memorial 1965 Trust	-	3,265,462	3,265,462
Community Foundation (Note 13)	-	185,702	185,702
Total	$ 65,580	$ 4,645,145	$ 4,710,725

Income on the above funds is to be used for scholarships and operations.

Changes in Net Assets

Changes in net assets consist of the following at August 31:

	2015		
	Clubs	Foundation	Total
Unrestricted	$ (310,770)	$ (32,046)	$ (342,816)
Temporarily Restricted	(294,759)	(336,187)	(630,946)
Permanently Restricted	(20,000)	(200,742)	(220,742)
Total	$ (625,529)	$ (568,975)	$ (1,194,504)

	2014		
	Clubs	Foundation	Total
Unrestricted	$ 714,694	$ (349,896)	$ 364,798
Temporarily Restricted	(84,163)	440,608	356,445
Permanently Restricted	(20,000)	346,024	326,024
Total	$ 610,531	$ 436,736	$ 1,047,267

NOTE 9 FAIR VALUE MEASUREMENTS

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization values all other assets and liabilities refer to Note 1 – Summary of Significant Accounting Policies.

Assets measured at fair value on a recurring basis at August 31:

	2015			
	Level 1	Level 2	Level 3	Total
Investments:				
Bonds and Bond Mutual Funds	$ 1,521,697	$ 179,274	$ -	$ 1,700,971
Mutual Funds - Equities	4,392,842	-	-	4,392,842
Real Estate Securities	354,163	-	-	354,163
Complementary Strategies	785,592	-	-	785,592
Subtotal Investments	7,054,294	179,274	-	7,233,568
Community Foundation Funds	-	-	174,982	174,982
Remainder Trust Receivable	-	-	97,000	97,000
Total	$ 7,054,294	$ 179,274	$ 271,982	$ 7,505,550

	2014			
	Level 1	Level 2	Level 3	Total
Investments:				
Bonds and Bond Mutual Funds	$ 1,642,987	$ 222,228	$ -	$ 1,865,215
Mutual Funds - Equities	4,660,532	-	-	4,660,532
Real Estate Securities	407,903	-	-	407,903
Complementary Strategies	822,227	-	-	822,227
Subtotal Investments	7,533,649	222,228	-	7,755,877
Community Foundation Funds	-	-	185,702	185,702
Remainder Trust Receivable	-	-	104,000	104,000
Total	$ 7,533,649	$ 222,228	$ 289,702	$ 8,045,579

Level 3 Assets

The following tables provide summary of changes in fair value of the Organization's Level 3 financial assets for the years ended August 31:

	2015		
	Remainder Trust Receivable	Community Foundation Funds	Total
Balance as of September 1, 2014	$ 104,000	$ 185,702	$ 289,702
Investment Activity:			
Investment Income	-	(239)	(239)
Interest and Dividends	-	(1,268)	(1,268)
Change in Value of Remainder Trust	(7,000)	-	(7,000)
Disbursements:			
Grants Paid	-	(7,096)	(7,096)
Administrative Fees	-	(1,395)	(1,395)
Investment Expenses	-	(722)	(722)
Balance as of August 31, 2015	$ 97,000	$ 174,982	$ 271,982

NOTE 9 FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 Assets (Continued)

	2014		
	Remainder Trust Receivable	Community Foundation Funds	Total
Balance as of September 1, 2013	$ 102,000	$ 176,733	$ 278,733
Investment Activity:			
Investment Loss	-	11,981	11,981
Interest and Dividends	-	5,633	5,633
Change in Value of Remainder Trust	2,000	-	2,000
Disbursements:			
Grants Paid	-	(7,093)	(7,093)
Administrative Fees	-	(1,074)	(1,074)
Investment Expenses	-	(478)	(478)
Balance as of August 31, 2014	$ 104,000	$ 185,702	$ 289,702

NOTE 10 ENDOWMENTS

The Organization has donor restricted endowment funds established for the purpose of securing the Organization's long-term financial viability and continuing to meet the operational needs of the Organization. As required by U.S. general accepted accounting principles, net assets of the endowment funds are classified and reported based on the existence or absence of donor imposed restrictions. The board of directors of both organizations have interpreted the state's Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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 Organization classifies as permanently restricted net assets the original value of the gifts to the permanent endowment and the value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted endowment funds that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed in UPMIFA.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy called Balanced: Appreciation Biased. This strategy places a primary emphasis on potential capital appreciation through the use of a diversified selection of stocks and a very important secondary emphasis on current income through the use of bonds and stock dividends.

NOTE 10 ENDOWMENTS (CONTINUED)

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the Clubs' programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s). 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 exceed the price and yield results of a blended benchmark while assuming a moderate level of investment risk. The Organization expects its endowment funds, over time, to generate a total return which exceeds the annual payout to the Clubs plus reasonable expenses for custody and investment management plus the rate of inflation as measured by CPI over a market cycle.

Spending Policy

The spending rates are based on the specific endowment agreement made between the donor and the Organization and any subsequent donor gifts. The spending rates are as follows:

Living Memorial 1965 Trust – Net Income only
Scholarship Fund – Discretion of the Foundation Board
Mark & Mary Goff-Fiterman Endowment – Net Income only

The spending policy of the Lenzmeier, Weinert, Phillips, and '71 Trust were revised. The distribution value is now the average of the fair market value of the fund of the preceding 12 quarters as of the close of June 30 each year.

This is consistent with the Organization's objective to generate a total return which exceeds the annual payout to the Clubs plus reasonable expenses for custody and investment management plus the rate of inflation as measured by CPI over a market cycle.

NOTE 10 ENDOWMENTS (CONTINUED)

Spending Policy (Continued)

Changes in endowment net assets for the years ended August 31 were as follows:

2015	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Total
Endowment Net Assets, September 1, 2014	$ 88,623	$ 534,860	$ 696,733	$ 1,320,216
Investment Return:				
Investment Income	3,013	108,129	-	111,142
Net Realized and Unrealized Gains (Losses)	(28,659)	(54,656)	-	(83,315)
Total Investment Return	(25,646)	53,473	-	27,827
Contributions	-	-	20,700	20,700
Controlled Trusts	-	-	3,769,421	3,769,421
Change in Value of Split Interest	-	(6,800)	-	(6,800)
Appropriations of Endowment Assets for Expenditure	-	(112,430)	-	(112,430)
Endowment Net Assets, August 31, 2015	$ 62,977	$ 469,103	$ 4,486,854	$ 5,018,934

In August of 2015, the corporate trustee was removed from the trusts via court order. As a result, these investments are now considered institutional funds within the meaning of UPMIFA and have been included in the table above.

2014	Unrestricted	Temporarily Restricted	Permanently Restricted	2014 Total
Endowment Net Assets, September 1, 2013	$ 36,205	$ 454,214	$ 676,733	$ 1,167,152
Investment Return:				
Investment Income	1,273	80,233	-	81,506
Net Realized and Unrealized Gains	51,145	101,690	-	152,835
Total Investment Return	52,418	181,923	-	234,341
Contributions	-	-	20,000	20,000
Change in Value of Split Interest	-	12,200	-	12,200
Appropriations of Endowment Assets for Expenditure	-	(113,477)	-	(113,477)
	88,623	534,860	696,733	1,320,216

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets were $-0- as of August 31, 2015 and 2014. These deficiencies resulted from unfavorable market fluctuations in the endowment fund's investments and continued appropriations that were deemed prudent by the board of directors.

NOTE 11 DONATED GOODS AND SERVICES

Donated materials and services have been valued at their estimated fair value. The value of donated materials and services included in the financial statements and the corresponding expenditures are as follows:

	2015		
	Clubs	Foundation	Total
In-Kind Revenue (Contributions):			
Donated Supplies and Tickets	$ 34,056	$ -	$ 34,056
Donated Fixed Assets	115,926	-	115,926
	$ 149,982	$ -	$ 149,982
In-Kind Expenses:			
Program Supplies and Tickets	$ 34,056	$ -	$ 34,056
Rent (See Note 6)	74,720	-	74,720
	$ 108,776	$ -	$ 108,776

	2014		
	Clubs	Foundation	Total
In-Kind Revenue (Contributions):			
Donated Supplies and Tickets	$ 57,759	$ -	$ 57,759
Donated Fixed Assets	30,117	-	30,117
Donated Services	-	-	-
	$ 87,876	$ -	$ 87,876
In-Kind Expenses:			
Program Supplies and Tickets	$ 57,759	$ -	$ 57,759
Rent (See Note 6)	74,720	-	74,720
	$ 132,479	$ -	$ 132,479

NOTE 12 RELATED PARTIES

The Clubs are required to pay dues to the Boys and Girls Clubs of America. The dues for 2015 and 2014 were $15,900 and $15,900, respectively. The Clubs also received $222,713 and $123,092 of grants from the National organization in 2015 and 2014, respectively. The Clubs also paid dues to the Boys and Girls Clubs of Minnesota Alliance of $24,245 and $23,196 in 2015 and 2014, respectively.

In 2010, the Boys and Girls Clubs of Minnesota Alliance received a $1.0875 million two-year grant from the State of Minnesota for workforce development. The Clubs are serving as administrator of the grant for the Alliance, and is responsible for disbursing funds to the Alliance members as expenses are incurred. In 2015 and 2014, the Clubs received a $35,625 payment for both years from the Alliance as reimbursement for administering the grant to all of the Clubs.

NOTE 12 RELATED PARTIES (CONTINUED)

For the years ended August 31, 2015 and 2014, pledges totaling $181,550 and $251,550, respectively, were outstanding from Board members of the Organization.

NOTE 13 COMMUNITY FOUNDATION FUNDS

The St. Paul Foundation holds and administers funds totaling $1,188,983 and $1,261,805 for the years ended August 31, 2015 and 2014, respectively, of donor advised contributions from individuals to the St. Paul Foundation for the benefit of the Boys and Girls Clubs of the Twin Cities. The Organization's agreement with the foundation requires that the principal be maintained in four separate advised funds with the income available for distribution to Boys and Girls Clubs of the Twin Cities subject to the St. Paul Foundation's Board of Trustees approval and subject to their "variance powers" to redirect such gifts.

The four funds held assets as of September 30 as follows:

	2015	2014
Camping Scholarships	$ 128,579	$ 136,449
Endowment Fund	711,778	755,380
Facilities Maintenance Fund	173,644	184,274
Subtotal St. Paul Foundation Net Asset	1,014,001	1,076,103
Endowment Fund - Foundation Net Assets	174,982	185,702
Total Held by St. Paul Foundation	$ 1,188,983	$ 1,261,805

The portion of the Endowment fund recorded as net assets by the Foundation represents the amount contributed by the Foundation to St. Paul Foundation for its own benefit. Total contributions received from the St. Paul Foundation for the years ended August 31, 2015 and 2014 was $48,867 and $48,858, respectively.

BOYS AND GIRLS CLUBS OF THE TWIN CITIES
AND BOYS AND GIRLS CLUB OF THE TWIN CITIES FOUNDATION
CONSOLIDATING BALANCE SHEET
AUGUST 31, 2015

ASSETS	Clubs	Foundation	Consolidated Total
Cash and Cash Equivalents	$ 208,790	$ 171,410	$ 380,200
Receivables	103,944	1,502	105,446
Pledges and Grants Receivable	469,919	-	469,919
Remainder Trust Receivable	97,000	-	97,000
Prepaid Expenses	77,925	-	77,925
Investments	-	7,233,568	7,233,568
Cash Surrender Value of Life Insurance Policies	-	92,000	92,000
Community Foundation Funds	-	174,982	174,982
Fixed Assets, Net of Accumulated Depreciation of $9,361,356	13,099,350	-	13,099,350
Total Assets	$ 14,056,928	$ 7,673,462	$ 21,730,390

LIABILITIES AND NET ASSETS	Clubs	Foundation	Consolidated Total
LIABILITIES			
Accounts Payable and Accrued Expenses	$ 453,552	$ -	$ 453,552
Deferred Revenue	154,900	-	154,900
Lines of Credit	8,581	-	8,581
Notes Payable	829,118	-	829,118
Total Liabilities	1,446,151	-	1,446,151
NET ASSETS			
Unrestricted	9,006,839	(105,958)	8,900,881
Unrestricted - Board Designated	88,057	-	88,057
Subtotal - Unrestricted	9,094,896	(105,958)	8,988,938
Temporarily Restricted	3,470,301	3,335,017	6,805,318
Permanently Restricted	45,580	4,444,403	4,489,983
Total Net Assets	12,610,777	7,673,462	20,284,239
Total Liabilities and Net Assets	$ 14,056,928	$ 7,673,462	$ 21,730,390

BOYS AND GIRLS CLUBS OF THE TWIN CITIES
AND BOYS AND GIRLS CLUB OF THE TWIN CITIES FOUNDATION
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2015

	Clubs			
OPERATING	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE, GAINS, AND OTHER SUPPORT				
Contributions, Including In-Kind Contributions of $149,982	$ 1,994,222	$ 120,765	$ -	$ 2,114,988
Contributions - Deepening the Impact	-	-	-	-
Special Events, Net of Expenses of $249,291	762,489	-	-	762,489
Grants and Contracts	1,018,631	3,500	-	1,022,131
Program Fees	253,059	8,857	-	261,916
Investment Revenue	280	-	-	280
Change in Value of Split Interest Agreements	-	(7,000)	-	(7,000)
Rental Income	17,520	-	-	17,520
Other Income	548	-	-	548
Net Assets Released from Restrictions - Operating	360,377	(360,377)	-	-
Total Revenue, Gains, and Other Support	4,407,126	(234,254)	-	4,172,872
EXPENSES				
Program Services	3,981,789	-	-	3,981,789
Support Services:				
Administration	555,706	-	-	555,706
Fundraising	593,419	-	-	593,419
Total Support Services	1,149,125	-	-	1,149,125
Total Expenses	5,130,914	-	-	5,130,914
CHANGE IN NET ASSETS OPERATING	(723,788)	(234,254)	-	(958,042)
NON-OPERATING				
Change in Value of Community Foundation	-	-	-	-
Capital Campaign Contributions	-	33,529	-	33,529
Capital Campaign Expenses	(28,560)	-	-	(28,560)
Jerry Gamble All-Star Event Contributions	5,534	-	-	5,534
Jerry Gamble All-Star Event Expenses	(3,236)	-	-	(3,236)
Capital Contributions	30,613	-	-	30,613
Gain on Disposal of Assets	350	-	-	350
Pledge Write-Off	-	-	-	-
Investment Revenue	-	-	-	-
Net Assets Released from Restrictions - Capital	114,034	(94,034)	(20,000)	-
Change in Net Assets Non-Operating	118,735	(60,505)	(20,000)	38,230
Net Assets Change Prior to Other Changes	(605,053)	(294,759)	(20,000)	(919,812)
OTHER CHANGES IN NET ASSETS				
Transfers (to) from Clubs/Foundation	294,283	-	-	294,283
CHANGE IN NET ASSETS	(310,770)	(294,759)	(20,000)	(625,529)
Net Assets - Beginning of Year	9,405,666	3,765,060	65,580	13,236,306
NET ASSETS - ENDING	$ 9,094,896	$ 3,470,301	$ 45,580	$ 12,610,777

Foundation					
Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Eliminations	2015 Consolidated Total
$ 48,921	$ -	$ 20,700	$ 69,621	$ (20,000)	$ 2,164,609
-	-	-	-	-	-
-	-	-	-	-	762,489
-	-	-	-	-	1,022,131
-	-	-	-	-	261,916
-	-	-	-	-	280
-	(6,800)	-	(6,800)	-	(13,800)
-	-	-	-	-	17,520
-	-	-	-	-	548
245,362	(245,362)	-	-	-	-
294,283	(252,162)	20,700	62,821	(20,000)	4,215,693
-	-	-	-	-	3,981,789
6,372	-	-	6,372	-	562,078
-	-	-	-	-	593,419
6,372	-	-	6,372	-	1,155,497
6,372	-	-	6,372	-	5,137,286
287,911	(252,162)	20,700	56,449	(20,000)	(921,593)
-	-	(10,720)	(10,720)	-	(10,720)
-	-	-	-	-	33,529
-	-	-	-	20,000	(8,560)
-	-	-	-		5,534
-	-	-	-	-	(3,236)
-	-	-			30,613
-	-	-	-	-	350
-	-	-	-	-	-
(25,674)	(84,025)	(210,722)	(320,421)	-	(320,421)
-	-	-	-	-	-
(25,674)	(84,025)	(221,442)	(331,141)	20,000	(272,911)
262,237	(336,187)	(200,742)	(274,692)	-	(1,194,504)
(294,283)	-	-	(294,283)	-	-
(32,046)	(336,187)	(200,742)	(568,975)	-	(1,194,504)
(73,912)	3,671,204	4,645,145	8,242,437	-	21,478,743
$ (105,958)	$ 3,335,017	$ 4,444,403	$ 7,673,462	$ -	$ 20,284,239