Young Men's Christian Association of Hannibal

Financial Statements

December 31, 2024

Gray Hunter Stenn LLP
CERTIFIED PUBLIC ACCOUNTANTS

Young Men's Christian Association of Hannibal

Contents

December 31, 2024

GRAY HUNTER STENN LLP
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Directors of
Young Men's Christian Association of Hannibal
Hannibal, Missouri

Opinion

We have audited the accompanying financial statements of Young Men's Christian Association of Hannibal (a nonprofit organization) which comprise the statement of financial position as at December 31, 2024, and the related statements of activities and changes in net assets, 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 Hannibal as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' 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 Hannibal and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Young Men's Christian Association of Hannibal's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Gray Hunter Stenn LLP

Gray Hunter Stenn LLP

Dated at Quincy, Illinois
May 12, 2025

Young Men's Christian Association of Hannibal

Statement of Financial Position

December 31, 2024

Assets		
Current Assets		
Cash and cash equivalents	$	406,854
Investments		1,368,930
Accounts receivable		32,889
Contribution receivable		13,333
Prepaid expenses		21,402
Total Current Assets		1,843,408
Restricted investments		384,000
Property and equipment, net of depreciation		3,265,762
Total Assets		5,493,170
Liabilities and Net Assets		
Current Liabilities		
Accounts payable		141,779
Accrued payroll		55,237
Other accrued expenses		12,805
Deferred revenue		160,816
Total Current Liabilities		370,637
Net Assets		
Without donor restrictions:		
Undesignated		1,472,771
Invested in property and equipment		3,265,762
Total without donor restrictions		4,738,533
With donor restrictions:		
Restricted by purpose or time		-
Restricted in perpetuity		384,000
Total with donor restrictions		384,000
Total Net Assets		5,122,533
Total Liabilities and Net Assets	$	5,493,170

Young Men's Christian Association of Hannibal

Statement of Activities and Changes in Net Assets

Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Contributions	$ 248,450	$ 42,875	$ 291,325
United Way	15,800	-	15,800
Special events	183,919	-	183,919
Government and other grants	65,159	75,080	140,239
Membership fees, net	1,340,345	-	1,340,345
Program fees, net	714,427	-	714,427
Facilities use fees	19,515	-	19,515
Sale of supplies and services	50,975	-	50,975
Investment income, net	44,571	-	44,571
Net realized and unrealized gain	144,278	-	144,278
Miscellaneous revenue	211,111	-	211,111
Net assets released from restrictions:			
Restrictions satisfied by payments	117,955	(117,955)	-
Total Revenues	3,156,505	-	3,156,505
Functional Expenses			
Program services	2,232,969	-	2,232,969
Support services:			
Management and general	273,357	-	273,357
Fundraising	275,494	-	275,494
Total Expenses	2,781,820	-	2,781,820
Change in Net Assets	374,685	-	374,685
Net Assets, Beginning of Year	4,363,848	384,000	4,747,848
Net Assets, End of Year	$ 4,738,533	$ 384,000	$ 5,122,533

Young Men's Christian Association of Hannibal

Statement of Functional Expenses

Year Ended December 31, 2024

	Program Services	Support Services: Management & General	Support Services: Fundraising	Support Services: Total	Total
Functional Expenses					
Salaries	$ 1,017,477	$ 174,042	$ 147,267	$ 321,309	$ 1,338,786
Employee benefits	97,403	16,661	14,098	30,759	128,162
Payroll taxes	76,844	13,144	11,123	24,267	101,111
Professional fees	61,337	9,165	-	9,165	70,502
Supplies - office	-	5,204	643	5,847	5,847
Supplies - program	199,053	-	-	-	199,053
Postage and shipping	6,308	860	-	860	7,168
Occupancy	202,975	22,553	-	22,553	225,528
Equipment maintenance	111,774	-	-	-	111,774
Computer expenses	52,159	5,795	-	5,795	57,954
Printing and promotion	26,987	-	3,335	3,335	30,322
Travel and vehicle costs	21,007	-	-	-	21,007
Conferences	16,840	-	-	-	16,840
Membership dues	60,145	-	-	-	60,145
Miscellaneous	20,447	-	-	-	20,447
Special events	-	-	99,028	99,028	99,028
Loss on disposal of property & equipment	10,373	1,026	-	1,026	11,399
Depreciation	251,840	24,907	-	24,907	276,747
Total Functional Expenses	$ 2,232,969	$ 273,357	$ 275,494	$ 548,851	$ 2,781,820

Young Men's Christian Association of Hannibal

Statement of Cash Flows

Year Ended December 31, 2024

Cash Flows from Operating Activities		
Change in net assets	$	374,685
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		276,747
Loss on disposal of property and equipment		11,399
Net realized and unrealized (gain) loss		(144,278)
(Increase) decrease in accounts receivable		19,782
(Increase) decrease in unconditional promises to give		4,617
(Increase) decrease in prepaid expenses		6,325
Increase (decrease) in accounts payable		33,152
Increase (decrease) in accrued payroll		6,249
Increase (decrease) in other accrued expenses		1,441
Increase (decrease) in deferred revenue		99,949
Net Cash Flows from Operating Activities		690,068
Cash Flows from Investing Activities		
Purchases of investments, net		(106,434)
Purchases of property and equipment		(401,492)
Net Cash Flows from Investing Activities		(507,926)
Net Increase (Decrease) in Cash and Cash Equivalents		182,142
Cash and Cash Equivalents, Beginning of Year		224,712
Cash and Cash Equivalents, End of Year	$	406,854

See notes to financial statements.

1. Nature of Operations

The Young Men's Christian Association (YMCA) of Hannibal (the "Association") is a not-for-profit organization located in Hannibal, Missouri. Its stated purpose is to provide programs that build a healthy body, mind and spirit for all. The Association's support comes primarily from membership fees, program fees, and donor contributions.

2. Summary of Significant Accounting Policies

Basis of Accounting
The financial statements of the Association have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation
The Association records resources for accounting and reporting purposes based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

> Net Assets without Donor Restrictions
> Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
>
> Net Assets with Donor Restrictions
> Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The Association reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions based on available information that affects the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Association considers all short-term securities purchased with a maturity of three months or less to be cash equivalents. Cash allocated to the investment portfolio as part of the Association's investment strategy is reported as investments.

Investments
Investments are reported at fair value and are based primarily on quoted market prices or estimated fair value.

2. Summary of Significant Accounting Policies (Continued)

Concentration of Credit Risk
The Association maintains cash balances at certain financial institutions in excess of the insurance limits provided by the Federal Deposit Insurance Corporation. The Association has not experienced any losses in such accounts. Management does not believe there is a significant credit risk associated with deposits in excess of federally insured amounts.

Investment Risk
The Association's investments can be negatively affected by liquidity, credit deterioration, financial results, market and economic conditions, political risk, interest rate fluctuations and other factors. As a result, the value and liquidity of the Association's cash, cash equivalents, and marketable and nonmarketable securities may fluctuate substantially. Future fluctuations in value could result in significant losses and could have a material adverse impact on the Association's financial condition and operating results.

Property and Equipment
Investment in property and equipment is stated at cost less accumulated depreciation or at fair value if donated. The Association follows the practice of capitalizing all expenditures for land, buildings, and equipment over $2,000. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives range from 5 to 40 years.

Impairment of Long-lived Assets
The carrying value of the Association's long-lived assets is reviewed to determine if facts or circumstances suggest that the assets may be impaired or that the remaining useful, depreciable life may need to be changed. The Association considers internal and external factors related to each asset, including future asset utilization and business climate. If these factors and the projected undiscounted cash flows of the asset over the remaining life indicate that the asset will not be recoverable, the carrying value will be adjusted down to the estimated fair value, if less than book value.

Functional Allocation of Expenses
Expenses are charged directly to program, management or fundraising in general categories based on specific identification. Indirect expenses have been allocated based on full time equivalent expenses.

Revenue Recognition from Exchange Transactions
The Association has multiple revenue streams that are accounted for as exchange transactions including membership and program fees. Because the Association's performance obligations relate to contracts with a duration of less than one year, the Association has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), Revenue from Contracts with Customers, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

Membership dues and program fees consist of amounts that families and individuals pay to participate in health, fitness, education and recreation activities and programs. Members join for varying lengths of time and may cancel with thirty days notice. Members generally pay a one-time joining fee plus monthly dues in advance. Memberships provide use of the recreation facilities, access to free classes, programs and activities, and discounts to fee-based programs. The Association offers a variety of programs including preschool, child care, day camp, fitness, and aquatic services. Cancellation provisions vary by program. Refunds may be available for services not provided. Financial assistance is available to members and program participants. Membership dues and program fees are recognized ratably over the period the membership or program service is provided on a straight-line basis. Membership joining fees are ratably recognized over a one-year period from the membership start date. Membership dues and program fees paid to the Association in advance are recorded as other deferred revenue. Amounts billed but unpaid are recorded as accounts receivables.

2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition for Contributions

The Association receives contributions to support operating activities, endowments and capital projects. These contributions and grants can be from individuals, foundations, corporations, or trusts. The Association records contributions receivable, net of allowances for estimated uncollectable amounts, when there is sufficient evidence in the form of verifiable documentation that an unconditional promise was received. The Association discounts multi-year pledges that are expected to be collected after one year using a risk adjusted discount rate. Multi-year pledges are recorded at fair value at the date of the pledge. The allowance for doubtful accounts is determined by the age of the balance, historical collection rates, and specific identification of uncollectible accounts. At December 31, 2024, the Association has an allowance balance of $-0-. Uncollectible contributions receivable are charged to the allowance. An expense is recorded at the time the allowance is adjusted. Conditional promises to give are recognized only when the conditions on which they depend are substantially met.

Contributed Services

The Association recognizes contributions of services received if such services: (a) create or enhance nonfinancial assets (b) require specialized skills (c) are provided by individuals possessing those skills and (d) would typically need to be purchased if not contributed. The Association did not receive any contributed services for the year ended December 31, 2024.

The Association receives services from a large number of volunteers who give significant amounts of their time to the programs of the Association. No amounts have been reflected for these types of donated services, as there is no objective basis available to measure the value of such services.

Advertising

The Association expenses advertising costs as incurred. Advertising costs for the year ended December 31, 2024, was approximately $30,322.

Income Tax Status

The Association has received a favorable determination letter from the Internal Revenue Service stating that it is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code of 1986 (IRC), as an organization described in Section 501(c)(3). The tax years from 2021 through 2024 remain open for review by the taxing authorities.

Subsequent Events

Management has evaluated subsequent events through May 12, 2025, the date upon which the financial statements were available to be issued.

3. Liquidity and Availability

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	$	406,854
Investments		1,368,930
Accounts receivable		32,889
Contributions receivable		13,333
Total	$	1,822,006

3. Liquidity and Availability (Continued)

The YMCA endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is available for general use. Donor-restricted endowment funds are not available for general expenditure.

As part of the Association's liquidity management plan, management invests cash in excess of daily requirements in short-term investments, CDs, and money market funds.

4. Investments and Fair Value Measurements

The FASB defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Association's principal or most advantageous market in an orderly transaction between market participants on the measurement date.

The standard establishes a fair value hierarchy which requires the Association to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Association has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Association's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following are descriptions of the valuation methods and assumptions used by the Association to estimate the fair values of certain financial instruments at December 31, 2024:

Cash and Cash Equivalents
Fair values of money market funds are estimated to approximate deposit account balances, payable on demand, as no discounts for credit quality or liquidity were determined to be applicable (Level 1 inputs).

Fixed Income Securities
The Association's fixed income securities are invested primarily in high grade fixed income securities. The fair values of these investments are readily marketable and are determined by obtaining quoted prices on a nationally recognized securities exchange (Level 1 inputs).

Corporate and Treasury Bonds
Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing the value on yields currently available on comparable securities of issuers with similar credit ratings (Level 2 inputs).

Equity Securities and Mutual Funds
Consist of mutual funds which are primarily invested in equity securities. The fair value of mutual funds, which are readily marketable, is determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs).

4. Investments and Fair Value Measurements (Continued)

Investments measured at fair value at December 31, 2024, are summarized below:

	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 25,650	$ 25,650	$ -	$ -
Fixed income securities	193,418	193,418	-	-
Corporate and treasury bonds	177,837	-	177,837	-
Equity securities	1,012,566	1,012,566	-	-
Mutual funds	213,606	213,606	-	-
Total	$ 1,623,077	$ 1,445,240	$ 177,837	$ -

Investments recorded at cost included a certificate of deposit. Investments carried at cost are not required to be classified in one of the levels prescribed by the fair value hierarchy. At December 31, 2024, the certificate of deposit totaled $129,853.

5. Property and Equipment

Land, buildings, and equipment as of December 31, 2024 consist of the following major categories:

Land	$ 91,554
Work in Progress	223,230
Building and Improvements	5,929,767
Land Improvements	350,527
Furniture, Fixtures, and Equipment	833,668
	7,428,746
Less: Accumulated Depreciation	(4,162,984)
Total	$ 3,265,762
Depreciation Expense	$ 276,747

6. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted to:

Net Assets with Donor Restrictions	
Restricted for:	
Specific purposes - other programs	$ -
Endowments restricted in perpetuity	384,000
Total Net Assets with Donor Restrictions	$ 384,000

6. Net Assets with Donor Restrictions (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose, by the occurrence of events specified by the donors, or by a change in the restrictions specified by the donor. Those amounts released from restrictions during the year ending December 31, 2024, are as follows:

Specific purposes - other programs	$	117,955
Time		-
Total Donor Restricted Net Assets Released from Restrictions	$	117,955

7. Related Parties

The Association pays dues to YMCA of the U.S.A. Dues paid to YMCA of the U.S.A. for the year ended December 31, 2024 were $58,752.

8. Defined Contribution Plans

The Association participates in the YMCA Retirement Fund Retirement Plan which is a defined contribution, money purchase, church plan that is intended to satisfy the qualification requirements of Section 401(a) of the IRC, as amended and The YMCA Retirement Fund Tax-Deferred Savings Plan which is a retirement income account plan as defined in section 403(b)(9) of the IRC. Both Plans are sponsored by The Young Men's Christian Association Retirement Fund (Fund). The Fund is a not-for-profit, tax-exempt pension fund incorporated in the State of New York (1922) organized and operated for the purpose of providing retirement and other benefits for employees of YMCAs throughout the United States. The plans are operated as church pension plans. Participation is available to all duly organized and reorganized YMCAs and their eligible employees. As a defined contribution plan, the Retirement Plan and Tax-Deferred Savings Plan have no unfunded benefit obligations.

In accordance with the Plan agreement, contributions for the YMCA Retirement Fund Retirement Plan are a percentage of the participating employees' salary. These amounts are paid by the Association. Total contributions charged to retirement costs aggregated $51,710 for the year ended December 31, 2024, of which $8,156 was unpaid at December 31, 2024.

Contributions to the YMCA Retirement Fund Tax-Deferred Savings Plan are withheld from employees' salaries and remitted to the YMCA Retirement Fund. There is no matching employer contribution to this plan.

9. Commitment

During the year ended December 31, 2024, the Association entered into a contract for roof improvements which is being paid for with insurance proceeds. The total contract was for $279,008 and total insurance proceeds received was $274,008. At December 31, 2024, the amount remaining on the contract was $100,544 and the amount of insurance proceeds in deferred revenue was $95,544.