

Young Men's Christian Association Somerville
Consolidated Financial Statements
December 31, 2024 with Comparative Totals for 2023

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To The Board of Directors,
Young Men's Christian Association Somerville

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Young Men's Christian Association Somerville (a nonprofit organization), which comprise the Consolidated statement of financial position as of December 31, 2024 and the related Consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related Consolidated notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Young Men's Christian Association Somerville 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Young Men's Christian Association Somerville and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated 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 Somerville's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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In performing an audit in accordance with generally accepted auditing standards and *Government 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 consolidated 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 Somerville'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 consolidated 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 Somerville'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.

Report on Summarized Comparative Information

We have previously audited Young Men's Christian Association Somerville's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 24, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying consolidating statements of financial position, activities and changes in net assets is presented for purposes of additional analysis and is not a 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2025, on our consideration of Young Men's Christian Association Somerville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Young Men's Christian Association Somerville's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Young Men's Christian Association Somerville's internal control over financial reporting and compliance.

McLarney & Company, LLC

McLarney & Company, LLC
Chelmsford, MA
July 7, 2025

Somerville YMCA
Consolidated Statement of Financial Position
December 31, 2024 with Comparative Totals for 2023

	Total 2024	Comparative Total 2023
Assets		
Current Assets		
Cash and Cash Equivalent (Notes 1, 3)	\$ 333,113	\$ 1,618,803
Restricted Cash (Note 1, 3)	21,379	21,379
Certificate of Deposits (Notes 1, 3)	1,524,691	240,962
Accounts Receivable, Net of allowance of \$0 & \$0 (Note 11)	42,387	27,765
Contracts Receivable, Net of allowance of \$0 & \$0 (Note 12)	90,706	95,818
Prepaid Expenses	9,601	11,740
Real Estate Deposit	-	-
Total Current Assets	2,021,877	2,016,467
Property and Equipment		
Property and Equipment (Notes 1, 2)	7,007,375	6,964,996
Construction in Process	582,304	-
Accumulated Depreciation	(1,187,111)	(1,095,803)
Property and Equipment Net (Notes 1, 2)	6,402,568	5,869,193
Right-of-use lease assets- operating lease	155,564	155,564
Less: Accumulated Amortization	(81,942)	(37,755)
Total right-to-use assets	73,622	117,809
Total Property, plant and equipment	6,476,190	5,987,001
Other Assets		
Investment in Highland Ave Y 101 Properties LLC	-	-
Investments	324,878	311,525
Total Assets	\$ 8,822,946	\$ 8,314,993
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 72,416	\$ 38,177
Accrued Expenses	94,027	81,818
Tenant Deposits	10,110	12,610
Installment Interest Payable	15,972	36,585
Deferred Revenue	7,148	-
Current portion of Lease Liability- operating lease	36,060	44,186
Total Current Liabilities	235,732	213,377
Long Term Liabilities		
Notes Payable (Note 13)	4,640,286	3,982,425
Long-term lease liability- operating lease	37,563	73,622
	4,677,849	4,056,047
Net Assets (Note 1)		
Without Donor Restrictions	4,000,945	4,065,426
With Donor Restrictions	21,379	21,379
Members Equity	(112,960)	-
Member Contribution	-	-
Total Net Assets & Members Equity	3,909,365	4,045,569
Total Liabilities and Net Assets	\$ 8,822,946	\$ 8,314,993

The accompanying notes and auditor's report
are an integral part of these financial statements.

Somerville YMCA
Consolidated Statement of Activities and Changes to Net Assets
For the Year Ended December 31, 2024 with Comparative Totals for 2023

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Comparative Total 2023
Revenue, Support and Gains (Note 1)				
Fees for service				
Health & Wellness	677,473	-	677,473	589,075
Day Care	2,189,843	-	2,189,843	1,875,666
Dormitory	255,243	-	255,243	240,314
Government Grants	541,215	-	541,215	1,852,224
Rental Income	158,424	-	158,424	23,645
Other	10,476	-	10,476	8,465
Total Fees for Service	3,832,674	-	3,832,674	4,589,389
Contributions	176,250	-	176,250	234,276
Investment Return	13,353	-	13,353	29,026
Interest	51,085	-	51,085	364
Other Income	14,556	-	14,556	16,487
Released from Restrictions	-	-	-	-
Total Revenue, Support and Gains	4,087,917	-	4,087,917	4,869,542
Expenses and Losses				
Program Services:				
Health & Wellness	925,760	-	925,760	907,917
Day Care	2,132,803	-	2,132,803	1,836,630
Dormitory	145,120	-	145,120	147,310
Other	-	-	-	-
Low Income Housing	272,440	-	272,440	65,286
Total Program Expenses	3,476,123	-	3,476,123	2,957,143
Management and General	733,785		733,785	759,802
Fundraising and Development	14,215		14,215	12,144
Total Supporting Services Expenses	748,000	-	748,000	771,946
Total Expenses and losses	4,224,124	-	4,224,124	3,729,089
Change in Net Assets	(136,206)		(136,206)	1,140,453
Members Equity, Beginning of Year		-	-	-
Net Assets, Beginning of Year	4,024,192	21,379	4,045,571	\$ 2,905,118
Member Contribution	-		-	-
Net Assets & Members Equity, Ending of Year (Note 1)	\$ 3,887,986	\$ 21,379	\$ 3,909,365	\$ 4,045,571

The accompanying notes and auditor's report
are an integral part of these financial statements.

Somerville YMCA
Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2024 with Comparative Totals for 2023

	<i>Dormitory</i>	<i>Health & Wellness</i>	<i>Day Care</i>	<i>Low Income Housing</i>	<i>Total Program</i>	<i>Management & Admin.</i>	<i>Fundraising</i>	<i>Total 2024</i>	<i>Comparative Total 2023</i>
Functional Expenses:									
Salaries & Wages	\$ -	\$ 605,951	\$ 1,477,008	\$ -	\$ 2,082,959	\$ 400,897	\$ -	\$ 2,483,856	\$ 2,374,616
Payroll Taxes	-	52,387	127,694	-	180,081	34,659	-	214,741	184,613
Fringe Benefits (Note 4)	-	61,078	148,878	-	209,956	40,409	-	250,365	202,649
Office Expense	20,294	20,294	40,588	5,818	86,994	20,294	-	107,288	84,103
Physical Programs	-	27,905	-	-	27,905	-	-	27,905	22,905
Resale Expense	-	357	-	-	357	-	-	357	98
Equipment Expense	927	10,194	3,707	1,184	16,011	3,707	-	19,717	20,140
Advertising & Promotion	-	-	-	-	-	57,154	-	57,154	36,277
Transportation	-	-	104,406	-	104,406	11,601	-	116,006	79,551
National Dues	-	-	-	-	-	60,248	-	60,248	28,209
Training	-	7,749	15,498	-	23,248	7,749	-	30,997	27,912
Programs Expense	7,190	28,759	100,656	-	136,605	7,190	-	143,795	183,392
Professional Fees	-	-	-	16	16	89,878	-	89,893	54,408
Taxes	-	-	-	-	-	-	-	-	2,642
Interest	-	-	-	164,091	164,091	-	-	164,091	36,585
Fundraising	-	-	-	-	-	-	14,215	14,215	12,144
Other Expense	-	-	-	-	-	-	-	-	-
Insurance	20,865	20,865	27,820	16,004	85,555	-	-	85,555	74,357
Depreciation (Note 1)	12,422	12,422	16,563	49,901	91,308	-	-	91,308	54,175
Maintenance	15,532	15,532	20,709	19,982	71,755	-	-	71,755	72,901
Utilities	36,957	36,957	49,276	15,445	138,633	-	-	138,633	121,166
Janitorial	30,934	25,310	-	-	56,244	-	-	56,244	56,244
Total Functional Expenses by Function	\$ 145,120	\$ 925,760	\$ 2,132,803	\$ 272,440	\$ 3,476,123	\$ 733,785	\$ 14,215	\$ 4,224,124	\$ 3,729,085

The accompanying notes and auditor's report
are an integral part of these financial statements.

Somerville YMCA
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2024 with Comparative Totals 2023

	Total 2024	Comparative Total 2023
Cash Flows From Operating Activities		
Increase (Decrease) in Net Assets	\$ (136,206)	\$ 1,140,451
Adjustments to Reconcile Net Assets To Net Cash Provided by Operating Activities:		
Depreciation (Note 1)	91,308	54,175
Realized (Gain)/Loss on Short Term Investments	(620)	(19,598)
Unrealized (Gain)/Loss on Short Term Investments	(5,445)	(3,091)
(Increase) / Decrease in accounts receivable	(14,622)	(9,210)
(Increase) / Decrease in Contracts receivable	5,112	59,805
(Increase) / Decrease in ERTC receivable	-	166,184
(Increase) / Decrease in prepaid expenses	2,139	8,450
Increase / (Decrease) in accounts payable	34,239	(16,466)
Increase / (Decrease) in accrued expenses	12,209	31,196
Increase / (Decrease) in Accrued Interest	(20,613)	36,585
Increase / (Decrease) in Tenant Deposits	(2,500)	12,610
Increase / (Decrease) in deferred revenue	7,148	(606)
Noncash portion of lease expense for operating leases	53,786	18,981
Repayments of right-of-use lease liabilities- operating leases	(57,600)	(19,200)
Net Cash Provided by Operating Activities	(31,663)	1,460,266
Cash Flows From Investing Activities		
Purchases of Fixed assets	(624,683)	(1,427,033)
Proceeds from Sales of Asset	-	-
Proceeds from Sales of Investments	83,999	159,378
Purchases of Investments	(104,753)	(127,558)
Real Estate Deposit	-	50,000
Net Cash Used by Investing Activities	(645,437)	(1,345,213)
Cash Flows From Financing Activities		
Maturities of Certificates of Deposits	512,730	477,904
Purchase of Certificates of Deposits	(2,000,000)	-
Proceeds from Notes Payable	637,720	-
Net Cash Used by Financing Activities	(849,550)	477,904
Increase (Decrease) in Cash and Restricted Cash	\$ (1,526,651)	\$ 592,959
Cash and Cash Equivalents and Restricted Cash - Beginning of Year	\$ 1,881,143	\$ 1,288,184
Cash and Cash Equivalents and Restricted Cash - End of Year	\$ 354,492	\$ 1,881,143
Noncash Investing and Financing Activities		
Fixed assets acquired in exchange for notes payable	-	(4,075,000)
Note re-finance repayment	-	(2,500,000)
Proceeds from refinance	-	2,500,000
Reconciliation of Cash and Cash Equivalents and Restricted Cash on the Statement of Financial Position		
Cash and Cash Equivalent (Notes 1, 3)	\$ 333,113	\$ 1,859,764
Restricted Cash (Note 1, 3)	21,379	21,379
Total Cash	\$ 354,492	\$ 1,881,143

See Note 8 For Supplemental Cash Information.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

1. Summary of Significant Accounting Policies:

Nature of activities:

The Somerville Young Men's Christian Association (the Organization) is a non-profit Organization incorporated in 1867 under the laws of The Commonwealth of Massachusetts. Its mission is to provide recreational, social, and educational programs to meet the needs of its members and surrounding community and to increase their potential. Program services include: preschool and after school day care programs, physical fitness and aquatic programs and providing dormitory housing for men. The Organization's primary source of revenue and support comes from fees charged for services provided and contributions.

Highland Ave Y 101 Properties, LLC is a single purpose entity controlled by the Young Men's Christian Association Somerville whose purpose is to acquire and develop property as part of the Somerville YMCA redevelopment project. In 2023, the Board of Directors of the Organization formed the LLC for the purpose of holding certain real-estate parcels and related loans on behalf of the Organization for the purpose of redevelopment in furtherance of the Organization's mission. The Organization is the sole member and is allowed to appoint the majority of the LLC's managers. Accordingly, the accounts of the Foundation have been consolidated herein, as required by generally accepted accounting principles.

The consolidated companies are hereinafter called the Organization.

Basis of accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Principles of Consolidation:

The accompanying consolidated financial statements include the accounts of the Young Men's Christian Association Somerville and its affiliated supporting organizations the Highland Ave Y 101 Properties, LLC. All significant interorganizational transactions and balances have been eliminated in consolidation.

Net Assets:

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor 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. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and investment funds.

Net Assets With Donor Restrictions - Net assets subject to donor- (or certain grantor-) 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Advertising costs:

Advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2024 and 2023 was \$57,154 and \$36,277, respectively.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

Summary of Significant Accounting Policies Continued:

Measure of Operations:

The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to Somerville YMCA's ongoing educational programs and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Leases and Right of Use leased Assets and Liabilities:

The Organization determines if an arrangement is a lease at inception. Right of Use, (ROU) assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of the lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right-of-use assets on the consolidated statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Organization has elected a practical expedient to use the risk-free interest rate for computing the present value of lease liabilities.

Revenue and Revenue Recognition:

Revenue is recognized when the services are provided and earned. Program service fees and payments under cost reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The organization records donated professional services at the respective fair values of the services received.

Health & Wellness, Day Care & Dormitory on the consolidated statements of activities are inclusive of the following categories:

Membership Dues

Membership dues are recognized ratably over the period of membership, which varies based on when members join or leave the Organization. Unearned membership revenue is reflected as deferred revenue on the consolidated statements of financial position. Members are provided with monthly access to the Organization locations and a variety of services, and revenue is recognized monthly as the services are provided. Management has adopted the practical expedient whereby costs to obtain membership contracts are not capitalized as the average length of a membership contract is less than one year. Dues revenue is allocated among the performance obligations and is recognized when each of the performance obligations are satisfied, as follows:

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

Summary of Significant Accounting Policies Continued:

- Monthly access to the various YMCA locations and services included in the monthly membership-recognized monthly as service is provided.
- Discounted program service fees - recognized during the year in which the discount is actually taken and the program service provided.

Program Service Fees

Program Service Fees are reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services to their program participants. Program fees include fitness classes, childcare, day camps, overnight camps, swim lessons, and various other programs operating at Organization locations, program sites, camps, or schools. Performance obligations are determined based on the nature of the services provided by the Organization. Performance obligations are generally providing a service at a point in time. Revenue is recognized at the time the program is held. Unearned program fees are reflected as Deferred Revenue on the consolidated statements of financial position

Government Grants

Government Grants are unit rate contracts with the Commonwealth of Massachusetts for daycare and nutrition services. These fees are earned during the month and then billed at month end.

Rental Income

The Organization collects rental income in advance and earned over the month for multiple month to month tenants. All tenants have pre-paid the last month's rent which is held as security.

Contributions:

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

In Kind Contributions

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note 12). The Organization does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.. No amounts have been recognized in the statement of activities because the criteria for recognition under SFAS No. 116 have not been satisfied.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

Summary of Significant Accounting Policies Continued:

Functional Expense Allocation:

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and others, which are allocated on the basis of estimates of time and effort

Shipping & Handling Fees & Costs:

All amounts billed to a customer in a sales transaction related to shipping and handling represent revenues earned and are reported as revenue. Costs incurred by the Organization for shipping and handling, including costs paid to third party shippers are reported as an expense.

Cash, Cash equivalents and Restricted Cash:

The organization's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, which are neither held for nor restricted by donors for long-term purposes, except for those amounts that are held in the investment portfolio which are invested for long term purposes, are cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Certificates of Deposit:

The Organization has Certificates of deposits maturing on November 2025. Certificates of deposits with maturities of more than 4 months but less than a year are considered to be current assets. The certificates on December 31 2024 are as follows:

Balance at 12/31/2024	Maturity Date	Interest Rate
519,490	2/21/2025	4.89%
1,005,201	11/19/2025	4.41%

Receivables and Allowance for Credit losses:

Accounts Receivables from contracts with customers are reported as accounts receivable, net in the accompanying consolidated statements of financial position. While contract receivables are amounts derived from billing under contracts with various governmental agencies. The Organization has tracked historical loss information for its accounts and contract receivables and compiled historical credit loss percentages for different aging categories (current, 1-30 days past due, 31-60 days past due, 61-90 days past due, and more than 90 days past due). Management believes that the historical loss information it has compiled is a reasonable base on which to determine expected credit losses for accounts and contract receivables held at December 31, 2024 and December 2023 because the composition of the accounts and contract receivables at those dates are consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its customers and its lending practices have not changed significantly over time). Additionally, management has determined that the current and reasonable and supportable forecasted economic conditions are consistent with the economic conditions included in the historical information. As a result, the historical loss rates have not been adjusted for differences in current conditions or forecasted changes. Accordingly, the allowance for credit losses for accounts and contract receivables at December 31, 2024 and 2023 totaled \$0 and \$0, respectively.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

Summary of Significant Accounting Policies Continued:

Property, plant and equipment:

We record property and equipment additions over \$1,500 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 40 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended December 31, 2024 and 2023.

Investments:

The Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

Fair Value Measurements and Disclosures:

Certain assets and liabilities [or one or the other] are reported at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 - Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.

Level 2 - Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and,
- Inputs that are derived principally from or corroborated by other observable market data.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

Summary of Significant Accounting Policies Continued:

Level 3 - Unobservable inputs that cannot be corroborated by observable market data.

All The Organizations investment assets are classified within Level 1 because they comprise open-end mutual funds and ETF's with readily determinable fair values based on daily redemption values. These amounts on December 31, 2024, and 2023 were \$324,878 and \$311,525 respectively.

The Organization also invests in Certificate of Deposit's that have original maturities of over 90 days, with local banks, as such these are included within Level 3. These amounts on December 31, 2024, and 2023 were \$1,524,691 and \$240,962 respectively.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Income taxes:

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

We record uncertain tax provisions in accordance with ASC 740 based on a two-step process whereby (1) we determine whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (2) for those tax positions that meet the more likely than not recognition threshold, we recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. As of December 31, 2024 and 2023, the Company had no uncertain tax positions or interest and penalties that qualify for either recognition or disclosure in the financial statements.

We recognize interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying consolidated statement of operations. Accrued interest and penalties are included on the related tax liability line in the consolidated balance sheet.

The Organization files an Exempt Organization Business Income Tax Return (Form 990-T) due to the results of Highland Ave Y 101 Properties LLC, with the IRS to report its unrelated business taxable income. However, the activity resulted in a net loss and therefore, no taxes are due for either year. As of December 31, 2024, tax years for 2022, 2023 and 2024 are subject to examination by the tax authorities.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

Summary of Significant Accounting Policies Continued:

Employer Retention Tax Credit:

A nongovernmental entity may account for employer retention tax credit as income in the period that the conditions have been substantially met. This guidance is analogized to IAS 20 to account for the employer retention tax credit. The entity would not recognize the government assistance until there is reasonable assurance that any conditions attached to the assistance will be met, and the assistance will be received. The earnings impact of the government grants or assistance would be recorded on a systematic basis over the periods in which the entity recognizes as expense the related costs for which the grants are intended to compensate.

Surplus Revenue Retention:

If, through cost savings initiatives implemented consistent with programmatic and contractual obligations, a non-profit provider accrues an annual net surplus from the revenues and expenses associated with services provided to purchasing agencies which are subject to 808 CMR 1.00, the provider may retain, for future use, a portion of that surplus not to exceed 20% of said revenues. Surpluses may be used by the provider for any of its established charitable purposes, provided that no portion of the surplus may be used for any non-reimbursable cost set forth in 808CMR 1.05, the free care prohibition excepted. OSD shall be responsible for determining the amount of surplus that may be retained by each provider in any given year and may determine whether any excess surplus shall be used to reduce future prices or be recouped.

Imputation of Interest – Debt Issuance Costs:

FASB's ASU 2015-03, simplifying the Presentation of Debt Issuance Costs is effective for years beginning after December 15, 2015. Debt issue costs are capitalized as a contra liability and amortized over the term of the debt. Amortization of the discount or premium is reported as interest expense. Debt issue costs include fees and associated costs specifically associated with the issuance of debt.

Land Development Costs:

Costs that clearly relate to land development projects are capitalized. Costs are allocated to project components by the specific identification method whenever possible. Otherwise, acquisition costs are allocated based on their relative fair value before development, and development costs are allocated based on their relative sales value. Interest costs are capitalized while development is in progress.

2. Property Plant and Equipment:

Certain land and buildings, with a carrying amount of \$5,000,000, were acquired with funds received under a grant contract with the City of Somerville together with financing from the City of Somerville Affordable Housing Trust Fund and the Massachusetts Life Insurance Community Investment Initiative. Under the terms of these agreements the purpose of the asset acquisition is for the development of the site into new mixed-use development which will include a significant affordable housing component, as well as a new YMCA facility. The Organization executed a Reconveyance Agreement with the City of Somerville which mandates that if the project does not move past the acquisition phase, the site will be sold to another entity who has the ability to use the site for the purpose of creating affordable housing. Additionally, an affordable housing restriction has not been placed on the site at this time, since the final details of the project are not yet known. Once the project design and affordability tiers have been finalized, a restriction will be executed to ensure that the designated affordable units remain affordable in perpetuity.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

2. Property Plant and Equipment Continued:

The following table summarizes property, plant and equipment with respective accumulated depreciation:

	2024	2023
Land	3,427,269	3,427,269
Land Development costs	223,674	223,674
Building & Improvements	2,992,174	2,992,174
Vehicles	35,053	35,053
Fixtures & Equipment	329,205	286,825
Construction In Process	582,304	-
Total Assets	7,589,679	6,964,996
Less: Accumulated Depreciation	(1,187,111)	(1,095,803)
Total Fixed Assets, Net	\$ 6,402,568	\$ 5,869,193

As of December 31, 2024, Construction in Progress primarily relates to the development of the new facility discussed above in the City of Somerville, primarily architectural and permitting at this point in time. Estimated completion is expected by Q2 2029. Upon completion, balances will be reclassified to Buildings and Equipment accordingly. Depreciation will commence once the assets are placed in service. The Company capitalizes interest costs in accordance with ASC 835-20. Interest capitalized during the year ended December 31, 2024, was \$17,922.

A roll forward of CIP for the year ended December 31, 2024, is as follows:

CIP Roll Forward (USD)	
Beginning Balance	\$ -
Additions (Capitalized costs)	564,382
Capitalized Interest	17,922
Transfers to PP&E	-
Ending Balance	\$ 582,304

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

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:

Financial assets at year end:	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 354,492	\$ 2,091,330
Short Term CDs	1,524,691	
Accounts Receivable	42,387	27,765
Contracts receivable	90,706	95,818
Total Financial Assets	<u>2,012,276</u>	<u>2,214,913</u>
Less amounts not available to be used within one year:		
Restricted Cash	21,379	21,379
Certificates of Deposit - Long Term	-	240,962
	<u>21,379</u>	<u>262,341</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,990,897</u>	<u>\$ 1,952,572</u>

As part of our liquidity management plan, we invest cash in excess of daily requirements in short-term investments, CDs, and money market funds. The Organization's goal is generally to maintain 90 days of operating expenses (approximately \$600,000).

4.- Long-Term Investments:

Long-term investments are stated at fair value and consist of the following at December 31:

2024			
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Cash	\$ 5,689	\$ 5,689	\$ -
Equities	318,670	319,189	519
Totals	<u>\$ 324,359</u>	<u>\$ 324,878</u>	<u>\$ 519</u>
2023			
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Cash	\$ 5,146	\$ 5,146	-
Equities	311,304	306,379	(4,925)
Totals	<u>\$ 316,450</u>	<u>\$ 311,525</u>	<u>\$ (4,925)</u>

All The Organizations investment assets are classified within Level 1 because they comprise open-end mutual funds and ETF's with readily determinable fair values based on daily redemption values.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

4.- Long-Term Investments Continued:

Investment return is summarized as follows for the years ended December 31:

	2024	2023
Interest and Dividends	\$ 10,275	\$ 8,692
Net Realized and Unrealized Gains/(Losses)	6,064	23,013
Management Fees	(2,985)	(2,679)
Total Investment Return, Net	<u>\$ 13,353</u>	<u>29,026</u>

5. Retirement Plan:

The Organization participates in a defined contribution, individual account, money purchase, retirement plan that is administered by the Young Men's Christian Association Retirement Fund (a separate corporation) (the Fund). This plan is for all eligible employees of the YMCA who qualify under the participation requirements.

In accordance with the agreement with the Fund, contributions by employees and the YMCA are a percentage of the participating employees' salary and are to be remitted to the Fund monthly. Total contributions charged to expense in the year ended December 31, 2024 and 2023 was \$175,868 and \$142,224, respectively.

6. Operating Leases:

The Organization leases one bus and two vans for the childcare program operations. The vehicle are operating leases that have the following terms:

Bus Lease- This lease commenced in July 2021 with monthly payments totaling \$1,600. The lease expires in July 2024. The organization now is in a month-to-month commitment, paying \$1,600 per month.

2024 Van Lease - On December 22, 2023 the Organization entered into a 36 month lease for two vans. This lease requires monthly payments of \$3,200 commencing on January 1, 2024 and matures December 31, 2026.

Lease expense for the year ended December 31, 2024 and 2023 amounted to \$48,000 and \$19,200 , respectively.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

6. Operating Leases Continued:

During December 31, 2024 and 2023, we recognized rent expense associated with the bus lease as follows:

	2024	2023
Operating lease cost:		
Fixed rent expense	\$ 48,000	\$ 19,200
Variable rent expense	-	-
Total Operating Rent Expense	<u>48,000</u>	<u>19,200</u>
Lease cost – Cost of sales		
Lease cost – SG&A		
Lease cost – Depreciation and amortization	53,786	18,774
Lease cost – Interest expense	<u>3,814</u>	<u>426</u>
Net lease cost	<u>\$ 57,600</u>	<u>\$ 19,200</u>

Amounts recognized as right-of-use assets related to Operating leases are included in Other Assets, net in the accompanying statement of financial position, while related lease liabilities are included in Current portion of long-term debt and Long-term debt. As of December 31, 2024 and 2023, right-of-use assets and lease liabilities related to Operating Leases were as follows:

	2024	2023
Operating lease ROU assets	\$ 73,622	\$ 117,809
Operating lease liabilities:		
Current portion of long-term debt	36,060	44,186
Long-term debt	37,563	73,622
	<u>\$ 73,622</u>	<u>\$ 117,809</u>

The following is a schedule by years of future minimum rental payments required under these operating leases as of December 31, 2024:

<u>Year ending December 31, 2024</u>	
2025	38,400
2026	38,400
2027	
2028	-
2029	-
2030 & Thereafter	-
Total Minimum Payments Required	<u>\$ 76,800</u>

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

6. Operating Leases Continued:

As of December 31, 2024 and 2023, the weighted-average remaining lease term for all operating leases is 2 and 1 years, respectively. Because we generally do not have access to the rate implicit in the lease, we elected a practical expedient to use the risk-free interest rate. The risk-free rate is the rate investors expect to earn from risk-free investments over a period of time, such as a government treasury bill. Weighted average of the risk-free rate utilized was 4.09% and 1.1% for the years ended in 2024 and 2023, respectively. We utilized this rate for our entire lease portfolio. We elected not to reevaluate whether expired or existing leases contain a lease per the definition of ASC 842 and not to reassess the lease classification of existing or expired leases under ASC 842.

7. Financial Instruments and Credit Risk:

The Organization maintains multiple bank accounts at multiple banks. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash at this institution exceed the federally insured limit during the years ended December 31, 2024 and 2023 in the amount of \$1,582,852 and \$1,574,095. The investments are not federally insured. Credit risk associated with accounts & contract receivables and promises to give are limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, governmental agencies, and foundations supportive of the Organization's mission. Investments are made by diversified investment managers whose performance is monitored by the Organization and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organizations. The support of the agency is generated from fees and contributions with a small amount from grants and other contract agencies within the Commonwealth of Massachusetts.

8. Supplemental Cash Information

Noncash investing activities:

	<u>2024</u>	<u>2023</u>
Interest Paid	164,091	36,585
Capitalized Interest	17,921	-
Taxes Paid	-	-
Total Noncash investing activities	<u>\$ 182,012</u>	<u>\$ 36,585</u>

9. Related Party Transactions

The Organization did not have any related party transactions during the years ended December 31, 2024 and 2023.

10. Employer Retention Tax Credit

The Employer Retention Tax Credit was originally allowed under a provision of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The credit is equal to 50% of the qualified wages paid, including qualified health care expense, for up to \$ 10,000 per employee in 2020. The maximum credit per employee is \$ 5,000 in 2020. On March 21, 2021, the IRS issued Notice 2021-20 includes clarifications and describes retroactive changes applicable to 2021 and 2020, primarily related to expanded eligibility for the credit. During the year ended December 31, 2022, the Company recorded \$158,567 in other revenue and \$ 5,738 in interest income related to this credit. The remaining uncollected receivable at December 31, 2022 related to this revenue amounted to \$ 166,184, which was collected during 2023.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

11. Accounts Receivable

Accounts receivable consists primarily of fees dues from program services and are non-interest bearing. At December 31, 2024 and 2023, balance of Accounts receivable was \$42,387 and \$27,765, respectively and the allowance for doubtful accounts balance was \$0 and \$0, respectively.

12. Contracts Receivable

Contracts receivables consist primarily of Commonwealth of MA state contracts from program services and are non-interest bearing. At December 31, 2024 and 2023, balance of Contracts receivable was \$90,706 and \$95,818 respectively and the allowance for doubtful accounts balance was \$0 and \$0, respectively.

13. Debt

The Organization's obligation under notes payable consists of the following on December 31, 2024 and 2023.

	2024	2023
Massachusetts Life Insurance Community Investment Initiative	2,212,720	1,575,000
Somerville Affordable Housing Trust Fund	2,500,000	2,500,000
Total	4,712,720	4,075,000
Less Current Portion	-	-
Toal Long Term Notes Payable	4,712,720	4,075,000
Unamortized Debt Issue Costs	(72,434)	(92,575)
Net Long Term Notes Payable	4,640,286	3,982,425

Massachusetts Life Insurance Community Investment Initiative:

The \$5,075,000 loan containing an interest rate of 5.5% with quarterly payments of interest only with the balance due in five years with a ballon payment. \$4,075,000 was provided for the acquisition of property at 136 School St, Somerville, MA on October 31, 2023. The additional amount of \$1,000,000 is being held as a credit line facility for the Organization to fund predevelopment costs. The Organization advanced a total of \$637,720 and \$0 in predevelopment costs during the years ended December 31, 2024 and 2023, respectively. On December 19, 2023 the Organization paid down the note through a refinance transaction of \$2,500,000. The balance of the obligation at December 31, 2024 and 2023 was \$2,212,720 and \$1,575,000.

Somerville Affordable Housing Trust Fund:

On December 19, 2023 \$2,500,000 was provided and used to pay down the acquisition financing provided by Massachusetts Life Initiative. This loan carries an interest rate of 2.5% fixed interest rate requiring quarterly payments of interest only, starting six months after the closing date of December 19, 2023, and has a balloon payment due in three years from that date or with a final construction financing, whichever occurs sooner. The due date may be extended, contingent with Trust approval.

Both loans are collateralized by 136 School St and an assignment of the rents.

Somerville YMCA
Notes to the Consolidated Financial Statements
December 31, 2024 and 2023

13. Debt Continued:

Future principal payments are as follows:

Years ending December 31:

2025	-
2026	2,500,000
2027	-
2028	2,212,720
2029	-
	4,712,720

14. Subsequent Events

The Organization has evaluated all subsequent events through July 7, 2025, the day the financials were available to be issued.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Young Men's Christian Association Somerville

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Young Men's Christian Association Somerville (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 7, 2025

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Young Men's Christian Association Somerville's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Young Men's Christian Association Somerville's internal control. Accordingly, we do not express an opinion on the effectiveness of Young Men's Christian Association Somerville's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Young Men's Christian Association Somerville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McLarney & Company, LLC

McLarney & Company, LLC

Chelmsford, MA

July 7, 2025

6 Courthouse Lane,
Chelmsford, MA 01824

Phone: (978) 453-2222

Fax: (978) 453-2882

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Concord, NH 03301

Phone: (603) 224-4990

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Independent Auditor's Report on Additional Information

To the Board of Directors of
Young Men's Christian Association Somerville.:

Our report on our audit of the basic financial statements of Young Men's Christian Association Somerville., for 4 appears on page 1. We conducted our audit in accordance with generally accepted auditing standards for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules A, B (Schedules MH, PDT, & SA as appropriate) of the Uniform Financial Report is presented solely for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the representation of Young Men's Christian Association Somerville's management and has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion on it.

McLarney & Company, LLC

McLarney & Company, LLC
Chelmsford, MA
July 7, 2025

Somerville YMCA
Consolidating Statement of Financial Position
December 31, 2024 and 2023

	Somerville YMCA	Highland Ave Y 101 Properties LLC	Total 2024	Eliminations	2024	Total 2023
Assets						
Current Assets						
Cash and Cash Equivalent (Notes 1, 3)	\$ 285,918	\$ 47,195	\$ 333,113	\$ -	\$ 333,113	\$ 1,618,803
Restricted Cash (Note 1, 3)	21,379	-	21,379	-	21,379	21,379
Certificate of Deposits (Notes 1, 3)	1,524,691	-	1,524,691	-	1,524,691	240,962
Accounts Receivable, Net of allowance of \$0 & \$0 (Note 11)	38,887	3,500	42,387	-	42,387	27,765
Contracts Receivable, Net of allowance of \$0 & \$0 (Note 12)	90,706	-	90,706	-	90,706	95,818
Prepaid Expenses	8,155	1,447	9,601	-	9,601	11,740
Real Estate Deposit	-	-	-	-	-	-
Total Current Assets	1,969,735	52,142	2,021,877	-	2,021,877	2,016,467
Property and Equipment						
Property and Equipment (Notes 1, 2)	1,783,701	5,223,674	7,007,375	-	7,007,375	6,964,996
Construction In Process	-	582,304	582,304	-	582,304	-
Accumulated Depreciation	(1,126,814)	(60,297)	(1,187,111)	-	(1,187,111)	(1,095,803)
Property and Equipment Net (Notes 1, 2)	656,887	5,745,681	6,402,568	-	6,402,568	5,869,193
Right-of-use lease assets- operating lease	155,564	-	155,564	-	155,564	155,564
Less: Accumulated Amortization	(81,942)	-	(81,942)	-	(81,942)	(37,755)
Total right-to-use assets	73,622	-	73,622	-	73,622	117,809
Total Property, plant and equipment	730,509	5,745,681	6,476,190	-	6,476,190	5,987,001
Other Assets						
Investment in Highland Ave Y 101 Properties LLC	1,356,428	-	1,356,428	(1,356,428)	-	-
Investments	324,878	-	324,878	-	324,878	311,525
Due From Somerville YMCA	-	73,337	73,337	(73,337)	-	-
Total Assets	\$ 4,381,551	\$ 5,871,160	\$ 10,252,711	\$ (1,429,765)	\$ 8,822,946	\$ 8,314,993
Liabilities and Net Assets						
Current Liabilities						
Accounts Payable	\$ 69,857	\$ 2,559	\$ 72,416	\$ -	\$ 72,416	38,177
Accrued Expenses	94,027	-	94,027	-	94,027	81,818
Tenant Deposits	-	10,110	10,110	-	10,110	12,610
Installment Interest Payable	-	15,972	15,972	-	15,972	36,585
Deferred Revenue	7,148	-	7,148	-	7,148	-
Current portion of Lease Liability- operating lease	36,060	-	36,060	-	36,060	44,186
Due to Highland LLC	73,337	-	73,337	(73,337)	-	-
Total Current Liabilities	280,428	28,641	309,069	(73,337)	235,732	213,377
Long Term Liabilities						
Notes Payable (Note 13)	-	4,640,286	4,640,286	-	4,640,286	3,982,425
Long-term lease liability- operating lease	37,563	-	37,563	-	37,563	73,622
	37,563	4,640,286	4,677,849	-	4,677,849	4,056,047
Net Assets (Note 1)						
Without Donor Restrictions	4,042,181	(41,236)	4,000,945	-	4,000,945	4,065,426
With Donor Restrictions	21,379	-	21,379	-	21,379	21,379
Members Equity	-	(112,960)	(112,960)	-	(112,960)	(41,236)
Member Contribution	-	1,356,428	1,356,428	(1,356,428)	-	-
Total Net Assets & Members Equity	4,063,560	1,202,232	5,265,793	(1,356,428)	3,909,365	4,045,569
Total Liabilities and Net Assets	\$ 4,381,551	\$ 5,871,160	\$ 10,252,711	\$ (1,429,765)	\$ 8,822,946	\$ 8,314,993

The accompanying notes and auditor's report
are an integral part of these financial statements.

Somerville YMCA
Consolidating Statement of Activities and Changes to Net Assets
December 31, 2024 and 2023

	Somerville YMCA	Highland Ave Y 101 Properties LLC	Total 2024	Eliminations	Total 2024	Total 2023
Revenue, Support and Gains (Note 1)						
Fees for service						
Health & Wellness	677,473	-	677,473	-	677,473	589,075
Day Care	2,189,843	-	2,189,843	-	2,189,843	1,875,666
Dormitory	255,243	-	255,243	-	255,243	240,314
Government Grants	541,215	-	541,215	-	541,215	1,852,224
Rental Income	-	158,424	158,424	-	158,424	23,645
Other	10,476	-	10,476	-	10,476	8,465
Total Fees for Service	3,674,250	158,424	3,832,674		3,832,674	4,589,389
Contributions	176,250	-	176,250	-	176,250	234,276
Investment Return	13,353	-	13,353	-	13,353	29,026
Interest	51,039	46	51,085	-	51,085	364
Other Income	13,545	1,010	14,556	-	14,556	16,487
Released from Restrictions	-	-	-	-	-	-
Total Revenue, Support and Gains	3,928,437	159,480	4,087,917	-	4,087,917	4,869,542
Expenses and Losses						
Program Services:						
Health & Wellness	925,760	-	925,760	-	925,760	907,917
Day Care	2,132,803	-	2,132,803	-	2,132,803	1,836,630
Dormitory	145,120	-	145,120	-	145,120	147,310
Other	-	-	-	-	-	-
Low Income Housing	-	272,440	272,440	-	272,440	65,286
Total Program Expenses	3,203,683	272,440	3,476,123	-	3,476,123	2,957,143
Management and General	733,785	-	733,785	-	733,785	759,802
Fundraising and Development	14,215	-	14,215	-	14,215	12,144
Total Supporting Services Expenses	748,000	-	748,000	-	748,000	771,946
Total Expenses and losses	3,951,683	272,440	4,224,124	-	4,224,124	3,729,089
Change in Net Assets & Members Equity	(23,247)	(112,960)	(136,206)		(136,206)	1,140,453
Net Assets, Beginning of Year	4,086,807	(41,236)	4,045,571		4,045,571	\$ 2,905,118
Members Equity, Beginning of Year		-				
Member Contribution	-	1,356,428	1,356,428	(1,356,428)	-	-
Net Assets & Members Equity, Ending of Year (Note 1)	\$ 4,063,560	\$ 1,202,232	\$ 5,265,793	\$ (1,356,428)	\$ 3,909,365	\$ 4,045,571

The accompanying notes and auditor's report
are an integral part of these financial statements.