

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

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## **Independent Auditor's Report**

To the Board of Directors  
Boys Hope Girls Hope of Baltimore, Inc.

### **Opinion**

We have audited the accompanying financial statements of Boys Hope Girls Hope of Baltimore, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years 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 Boys Hope Girls Hope of Baltimore, Inc. as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boys Hope Girls Hope of Baltimore, Inc. 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.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Boys Hope Girls Hope of Baltimore's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Independent Auditor's Report (Continued)

### **Auditor's Responsibility 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 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 Boys Hope Girls Hope of Baltimore, Inc.'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 Boys Hope Girls Hope of Baltimore, Inc.'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.

*Gross, Mendelsohn & Associates, P.A.*

Baltimore, Maryland  
October 24, 2022

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Statements of Financial Position**  
**June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 417,246	\$ 361,897
Prepaid expenses	3,775	3,235
Total Current Assets	<u>421,021</u>	<u>365,132</u>
<b>Property</b>		
Land	165,341	165,341
Buildings and improvements	1,872,008	1,872,008
Vehicles	45,589	82,580
Furniture and equipment	12,233	12,233
Total Cost	<u>2,095,171</u>	<u>2,132,162</u>
Less: Accumulated depreciation	657,644	633,122
Net Property	<u>1,437,527</u>	<u>1,499,040</u>
<b>Total Assets</b>	<u><u>\$ 1,858,548</u></u>	<u><u>\$ 1,864,172</u></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ -0-	\$ 6,128
Accrued expenses	32,327	38,065
Current maturities of long-term debt	19,941	21,852
Total Current Liabilities	<u>52,268</u>	<u>66,045</u>
<b>Non-Current Liabilities</b>		
Paycheck Protection Program (PPP) loan	-0-	83,742
Long-term debt, net of current maturities	129,038	152,083
Total Non-Current Liabilities	<u>129,038</u>	<u>235,825</u>
Total Liabilities	<u>181,306</u>	<u>301,870</u>
<b>Commitments (Notes 4 and 7)</b>		
<b>Net Assets</b>		
Without donor restrictions	1,634,909	1,514,969
With donor restrictions	42,333	47,333
Total Net Assets	<u>1,677,242</u>	<u>1,562,302</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 1,858,548</u></u>	<u><u>\$ 1,864,172</u></u>

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

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Statements of Activities**  
**Years Ended June 30, 2022 and 2021**

	<b>2022</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Support and Revenue</b>			
Contributions of cash	\$ 312,941	\$ -0-	\$ 312,941
Contributions of nonfinancial assets	111,995	-0-	111,995
Special events net of expenses of \$20,499 (2021 - \$28,927)	449,216	-0-	449,216
Forgiveness of PPP loan	83,742	-0-	83,742
Gain on disposal of property	11,768	-0-	11,768
Other income	711	-0-	711
Net investment income	43	-0-	43
Net assets released from restrictions	5,000	(5,000)	-0-
Total Support and Revenue	<u>975,416</u>	<u>(5,000)</u>	<u>970,416</u>
<b>Expenses</b>			
Program services	667,404	-0-	667,404
Management and general	75,419	-0-	75,419
Fundraising	112,653	-0-	112,653
Total Expenses	<u>855,476</u>	<u>-0-</u>	<u>855,476</u>
<b>Change in Net Assets</b>	119,940	(5,000)	114,940
<b>Net Assets at Beginning of Year</b>	<u>1,514,969</u>	<u>47,333</u>	<u>1,562,302</u>
<b>Net Assets at End of Year</b>	<u>\$ 1,634,909</u>	<u>\$ 42,333</u>	<u>\$ 1,677,242</u>

**2021**

<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Increase (Decrease)</b>
\$ 443,928	\$ 15,000	\$ 458,928	\$ (145,987)
161,599	-0-	161,599	(49,604)
266,775	-0-	266,775	182,441
83,742	-0-	83,742	-0-
1,600	-0-	1,600	10,168
400	-0-	400	311
76	-0-	76	(33)
50,216	(50,216)	-0-	-0-
<u>1,008,336</u>	<u>(35,216)</u>	<u>973,120</u>	<u>(2,704)</u>
724,293	-0-	724,293	(56,889)
72,503	-0-	72,503	2,916
113,177	-0-	113,177	(524)
<u>909,973</u>	<u>-0-</u>	<u>909,973</u>	<u>(54,497)</u>
98,363	(35,216)	63,147	<u>\$ 51,793</u>
<u>1,416,606</u>	<u>82,549</u>	<u>1,499,155</u>	
<u>\$ 1,514,969</u>	<u>\$ 47,333</u>	<u>\$ 1,562,302</u>	

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

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Statements of Functional Expenses**  
**Years Ended June 30, 2022 and 2021**

	<b>2022</b>			
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Personnel Costs:				
Directors and coordinators	\$ 152,295	\$ 25,383	\$ 76,148	\$ 253,826
Counselors and house parents	140,860	-0-	-0-	140,860
Fringe benefits and payroll taxes	61,545	6,155	20,222	87,922
Stipends	8,590	-0-	-0-	8,590
Total personnel costs	<b>363,290</b>	<b>31,538</b>	<b>96,370</b>	<b>491,198</b>
Assistance to youth	123,849	-0-	-0-	123,849
Depreciation and amortization	52,349	9,164	-0-	61,513
Insurance	32,060	4,580	9,160	45,800
Repairs and maintenance	32,791	-0-	-0-	32,791
Administrative expenses - national	16,954	5,651	5,651	28,256
Utilities	24,115	-0-	-0-	24,115
Special events	-0-	-0-	20,499	20,499
Other administrative expenses	-0-	11,721	-0-	11,721
Professional fees	-0-	11,500	-0-	11,500
Transportation	9,581	-0-	-0-	9,581
Interest expense	7,818	-0-	-0-	7,818
Office supplies	1,043	1,043	1,391	3,477
Promotion and marketing	2,857	-0-	-0-	2,857
Domestic supplies	475	-0-	-0-	475
Travel	161	161	-0-	322
Postage	61	61	81	203
Total Expenses	<b>667,404</b>	<b>75,419</b>	<b>133,152</b>	<b>875,975</b>
Less: Special events expenses netted with special events revenue in the statements of activities	-0-	-0-	(20,499)	(20,499)
<b>Total Expenses</b>	<b>\$ 667,404</b>	<b>\$ 75,419</b>	<b>\$ 112,653</b>	<b>\$ 855,476</b>



**2021**

<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>	<b>Increase (Decrease)</b>
\$ 153,708	\$ 25,618	\$ 76,854	\$ 256,180	\$ (2,354)
159,833	-0-	-0-	159,833	(18,973)
63,456	6,346	20,850	90,652	(2,730)
-0-	-0-	-0-	-0-	8,590
376,997	31,964	97,704	506,665	(15,467)
200,848	-0-	-0-	200,848	(76,999)
52,103	7,919	-0-	60,022	1,491
28,663	4,095	8,189	40,947	4,853
16,962	-0-	-0-	16,962	15,829
17,020	5,673	5,673	28,366	(110)
14,977	-0-	-0-	14,977	9,138
-0-	-0-	28,927	28,927	(8,428)
-0-	9,743	-0-	9,743	1,978
-0-	11,600	-0-	11,600	(100)
2,935	-0-	-0-	2,935	6,646
8,882	-0-	-0-	8,882	(1,064)
1,006	1,006	1,341	3,353	124
3,004	-0-	-0-	3,004	(147)
393	-0-	-0-	393	82
301	301	-0-	602	(280)
202	202	270	674	(471)
724,293	72,503	142,104	938,900	(62,925)
-0-	-0-	(28,927)	(28,927)	8,428
<u>\$ 724,293</u>	<u>\$ 72,503</u>	<u>\$ 113,177</u>	<u>\$ 909,973</u>	<u>\$ (54,497)</u>

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

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Statements of Cash Flows**  
**Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 114,940	\$ 63,147
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	61,513	60,022
Gain on disposal of property	(11,768)	(1,600)
Forgiveness of PPP loan	(83,742)	(83,742)
Changes in operating assets and liabilities:		
Prepaid expenses	(540)	(1,590)
Accounts payable	(6,128)	2,732
Accrued expenses	(5,738)	15,043
Deferred revenue	-0-	(26,977)
Net Cash Provided by Operating Activities	<u>68,537</u>	<u>27,035</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of property	-0-	(24,230)
Proceeds from property disposal	11,768	1,600
Net Cash Provided by (Used in) Investing Activities	<u>11,768</u>	<u>(22,630)</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from borrowings from PPP loan program	-0-	83,742
Payments on notes payable	(24,956)	(23,893)
Net Cash Provided by (Used in) Financing Activities	<u>(24,956)</u>	<u>59,849</u>
<b>Net Increase in Cash</b>	<b>55,349</b>	<b>64,254</b>
<b>Cash - Beginning of Year</b>	<u><b>361,897</b></u>	<u><b>297,643</b></u>
<b>Cash - End of Year</b>	<u><u><b>\$ 417,246</b></u></u>	<u><u><b>\$ 361,897</b></u></u>
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Cash paid during the year for interest	<u><u><b>\$ 7,818</b></u></u>	<u><u><b>\$ 8,882</b></u></u>

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

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

**Note 1: Nature of Organization and Summary of Significant Accounting Policies**

Boys Hope Girls Hope of Baltimore, Inc. (the "Organization") was organized as a not-for-profit corporation on August 9, 2001, and began operations with the opening of its first residence in Baltimore, Maryland in 2002. The purpose of the Organization is to provide housing and education assistance for displaced youth. The Organization places these children in a family environment that allows them to mature and succeed through guidance, education, financial support and encouragement while challenging them to live up to their religious convictions. The Organization sponsors various activities to secure support from the public for the needs and overall direction of the Organization. The Organization is an independent incorporated affiliate of Boys Hope Girls Hope, Inc. (the "National Organization").

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Basis of Presentation: The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

*Net Assets without Donor Restrictions:* Net assets available for use in general operations and not subject to donor 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. 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.

Property and Depreciation: Property is stated at cost or, if donated, at the approximate fair value at the date of donation. Expenditures for maintenance and routine repairs are charged to expense as incurred; expenditures for improvements and major repairs that materially extend the useful lives of assets are capitalized. The Organization's threshold for capitalization is any acquisition that meets the above criteria and is greater than or equal to \$5,000. Depreciation is computed using the straight-line method over the following estimated lives:

Buildings and improvements	15-40 Years
Vehicles	5-10 Years
Furniture and equipment	7 years

Contributions: Contributions received are recorded without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction is met in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the related restriction is fulfilled or expires.

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

**Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)**

Unconditional promises to give support are recognized as contributions support and revenue in the year the promises to give are made. Conditional pledges to give, which depend on the occurrence of a specified future and uncertain event, are not recognized as support and revenue until the condition has been met.

Tuition and Fees: Several of the schools attended by the scholars have provided tuition assistance. These amounts have been recorded as contributions of nonfinancial assets - in-kind tuition, with offsetting expenses included as assistance to youth in the statements of activities.

Gifts-in-Kind (Donated Commodities): Donated commodities, which include food and supplies, are recorded at their estimated fair market value on the date of receipt and were used in its program services.

Donated Services: Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by individuals with those skills, and would otherwise be purchased by the Facility.

Donated services consisted of maintenance and cleaning services. They are recorded based on comparable industry rates which management believes reflects the actual value of the services provided and were used in its program services.

A substantial number of unpaid volunteers have made significant contributions of their time and services to the Facility. The value of this contributed time is not recorded as a contribution in these financial statements since the recognition criteria was not met.

Income Taxes: The Organization is exempt from federal and state income taxes under Internal Revenue Code §501(c)(3). Income that is not related to exempt purposes, less applicable deductions, is subject to federal and state income taxes. The Organization had no unrelated business income for both years ended June 30, 2022 and 2021. Accordingly, no provision for income taxes is reflected in these financial statements. The Organization does not file a federal income tax return as all of its activities are included in the Federal Form 990 filed by the National Organization.

Functional Allocation of Expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Costs that cannot be specifically identified with a particular function and that benefit more than one functional category are allocated, generally based on estimates of the portion of time expended by the staff on the various functions.

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

**Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)**

Recently Issued Accounting Pronouncements: The Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, *Leases* which will be effective for fiscal years beginning after December 15, 2021. The distinction between finance leases and operating leases is substantially similar to the distinction between capital leases and operating leases in the previous leases guidance. Lessor accounting is also largely unchanged. For lessees, leases under both categories will be reported on the statement of financial position as a depreciable right-to-use asset and a related liability to make lease payments. The asset and liability should be initially measured at the present value of the lease payments, including payments to be made in optional periods only if the lessee is reasonably certain to exercise an option to extend the lease or not to exercise an option to terminate the lease. The asset will be depreciated and the liability will be reduced by lease payments. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election not to recognize lease assets and liabilities. Management has elected not to early adopt this standard and will assess the future impact on any leases.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958), Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* which is effective for fiscal years beginning after June 15, 2021. This ASU requires that contributed nonfinancial assets be reported as a separate line item in the statement of activities and changes in net assets, as well as disclose the disaggregation of the contributed nonfinancial assets recognized by type, whether they are monetized or utilized during the reporting period, and if utilized, the programs or other activities in which these contributed nonfinancial assets were used. Management adopted this standard as required.

Subsequent Events: In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 24, 2022, the date the financial statements were available to be issued. During the period from July 1, 2022 through October 24, 2022, except for the event described in Note 4, the Organization did not have any material recognizable subsequent events.

**Note 2: Liquidity and Availability of Funds**

A summary of the financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date comprise the following:

	2022	2021
Cash	\$ 417,246	\$ 361,897
Less: Donor imposed restrictions	(42,333)	(47,333)
Net Financial Assets Available for General Expenditures	\$ 374,913	\$ 314,564

The Organization receives significant contributions and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity following two guiding principles: operating within a prudent range of financial soundness and stability, and maintaining adequate liquid assets to fund near-term operating needs.

None of the financial assets other than disclosed above are subject to donor restrictions or other contractive restrictions that make them unavailable for general expenditure within one year of the statement of financial position date.

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**

**Notes to Financial Statements**

**June 30, 2022 and 2021**

**Note 3: Related Party**

The Organization pays the National Organization a quarterly fee of for administrative costs. These fees are included in administrative expenses. Total fees paid during the years ending June 30, 2022 and 2021 were \$28,256 and \$28,366, respectively.

**Note 4: Long Term Debt and Paycheck Protection Program**

On September 14, 2017, the Organization obtained a five-year term loan with M&T Bank for \$250,000. The loan calls for monthly payments of \$2,731 at a variable rate (5.50% at June 30, 2022), with a balloon payment in September 2022. The loan is collateralized by the community center property. Subsequent to year end this debt was refinanced with M&T Bank. The loan calls for monthly principal and interest payments of \$2,479 with an interest rate of 5.58% and matures July 2028.

The aggregate annual maturities of long-term debt for each of the years subsequent to June 30, 2022 are as follows:

2023	\$	19,941
2024		24,947
2025		24,261
2026		25,649
2027		27,118
Thereafter		<u>27,063</u>
	\$	<u>148,979</u>

The Organization applied for and received funds in the amount of \$83,742 under the Paycheck Protection Program (PPP), which was created as a result of the coronavirus pandemic. The proceeds are considered a forgivable loan, assuming certain qualified expenses, primarily payroll related expenses, are incurred during a 8-week period, commencing on the date of the loan agreement (April 16, 2020). Any portion of this loan that does not qualify for forgiveness is subject to an interest rate of 1%. The original loan document required monthly principal installments plus interest over an eighteen-month period commencing on November 16, 2020 with a maturity date of April 16, 2022. Under the Paycheck Protection Flexibility Act of 2020 the forgiveness period has been extended to 24 weeks. The start of the repayment of principal period has been extended until 10 months after the end of the 24 week period and the maturity date extend to 5 years from the date of the loan. This PPP loan has been presented as a debt obligation as of June 30, 2020. The Organization applied for and received full forgiveness of the PPP loan on December 30, 2020 and the proceeds have been included on the statements of activities as forgiveness of PPP loan for the year ended June 30, 2021.

The Organization applied for and received additional funds in the amount of \$83,742 under the Paycheck Protection Program - 2<sup>nd</sup> draw (PPP2). As with the original PPP loan, the proceeds are considered a forgivable loan, assuming certain qualified expenses, primarily payroll related expenses, are incurred during 24-week period, commencing on the date of the loan agreement (February 3, 2021). Any portion of this loan that does not qualify for forgiveness is subject to an interest rate of 1%. The loan document requires monthly principal installments plus interest commencing one month after the earlier of: the date the SBA officially forgives only a portion of the loan; the date the SBA denies forgiveness; 10 months after the end of the 24-week period; or 16 months after the loan proceeds are disbursed. The loan has a maturity date of February 3, 2026. This PPP2 loan has been presented as a loan as of June 30, 2021. The Organization applied for and received full forgiveness of the PPP2 loan on September 2, 2021 and the proceeds have been included on the statements of activities as forgiveness of PPP loan for the year ended June 30, 2022.

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

**Note 5: Net Assets with Donor Restrictions**

The Organization's net assets with donor restrictions of as of June 30, 2022 and 2021 were available for the following purposes:

	2022	2021
STEM Program	\$ 42,333	\$ 42,333
Scholar tuition	-0-	5,000
	<u>\$ 42,333</u>	<u>\$ 47,333</u>

**Note 6: Contributed Non-Financial Assets**

For the years ended June 30, 2022 and 2021, contributed non-financial assets recognized within the statements of activities included:

	2022	2021
Tuition	\$ 81,042	\$ 140,155
Repairs and maintenance	28,603	12,900
Food	400	-0-
Household supplies	1,050	150
Cleaning service	900	-0-
Special event supplies	-0-	8,394
	<u>\$ 111,995</u>	<u>\$ 161,599</u>

**Note 7: Retirement Plan**

The Organization maintains a tax deferred retirement plan qualified under section 401(k) of the Internal Revenue Code (the "Plan"). Under the Plan, eligible employees may make pretax contributions, with the Organization matching the first 3% of the employees' contribution. The Organization may also make discretionary contributions to eligible employees. The Organization did not contribute to the Plan for the years ended June 30, 2022 and 2021. The Organization also received credits for forfeitures from the National Organization of \$-0- and \$5,597 for the years ended June 30, 2022 and 2021, respectively. Some of these credits were used to reduce the Organization's contributions to the Plan. In the years ended June 30, 2022 and 2021, the Organization utilized \$7,054 and \$3,405 of these forfeitures to offset contributions.

**BOYS HOPE GIRLS HOPE OF BALTIMORE, INC.**  
**Notes to Financial Statements**  
**June 30, 2022 and 2021**

**Note 8: Other Matter**

Cash and Cash Equivalents: The Organization maintains its cash balances in one financial institution. Periodically during the year, the Organization's cash balances may have exceeded federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to significant risk on its cash balances.

National Health Emergency: In March 2020, the President of the United States declared a national emergency due to a viral pandemic. The declaration of the national emergency and similar declarations made by various states, and the outbreak of the virus itself, have had far reaching social, economic, and financial impacts on the country going forward. The pandemic continues and at this time, the impact on the operation and the financial status of the Organization cannot be determined.



