The Boys' Club of New York

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Consolidated Financial Statements
(Together with Independent Auditors' Report)

Years Ended September 30, 2017 and 2016

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MARKS PANETH
ACCOUNTANTS & ADVISORS

THE BOYS' CLUB OF NEW YORK

CONSOLIDATED FINANCIAL STATEMENTS
(Together with Independent Auditors' Report)

YEARS ENDED SEPTEMBER 30, 2017 AND 2016

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MARKS PANETH
ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
The Boys' Club of New York

We have audited the accompanying consolidated financial statements of The Boys' Club of New York (the "Boys' Club") and Camp Cromwell, Inc. (the "Subsidiary" or "Camp") (collectively, the "Club") which comprise the consolidated statements of financial position as of September 30, 2017 and 2016, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Boys' Club of New York and Subsidiary as of September 30, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements of The Boys' Club of New York and Subsidiary as a whole. The consolidating schedules (shown on pages 18-22) are presented for the purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual Subsidiary, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Marks Paneth LLP

New York, NY
February 13, 2018

THE BOYS' CLUB OF NEW YORK
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2017 AND 2016

	2017	2016
ASSETS		
Cash and cash equivalents (Notes 2D and 10A)	$ 7,679,508	$ 84,516
Contributions receivable, net (Notes 2F and 7)	331,755	306,150
Investments (Notes 2E, 4 and 5)	49,768,161	49,686,848
Prepaid expenses and other assets	682,994	377,753
Beneficial interest in charitable remainder unitrust (Note 2M)	1,544,419	1,467,149
Property and equipment, net (Notes 2G and 3)	8,671,169	15,876,322
TOTAL ASSETS	$ 68,678,006	$ 67,798,738
LIABILITIES		
Accounts payable and accrued expenses	$ 173,472	$ 125,917
Deferred revenue (Note 2H)	633,159	722,134
Accrued pension benefit obligation (Note 6)	2,616,882	3,387,524
Asset retirement obligation (Note 9)	658,862	846,675
TOTAL LIABILITIES	4,082,375	5,082,250
NET ASSETS (Note 2B)		
Unrestricted		
Available for operations	28,131,072	18,182,649
Net investment in property and equipment	8,012,307	15,029,647
Total unrestricted	36,143,379	33,212,296
Temporarily restricted (Note 8)	4,091,919	5,143,859
Permanently restricted (Note 8)	24,360,333	24,360,333
TOTAL NET ASSETS	64,595,631	62,716,488
TOTAL LIABILITIES AND NET ASSETS	$ 68,678,006	$ 67,798,738

THE BOYS' CLUB OF NEW YORK
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	For the Year Ended September 30, 2017				For the Year Ended September 30, 2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2017	Total 2016	Permanently Restricted	Temporarily Restricted	Unrestricted
OPERATING REVENUE AND SUPPORT (Note 2J):								
Contributions (Notes 2C and 2N)	$ 1,474,868	$ 560,838	$ -	$ 2,035,706	$ 1,915,927	$ -	$ 521,878	$ 1,394,049
Special events (net of direct expenses of $427,927 and $409,544 for 2017 and 2016, respectively)	3,218,235	-	-	3,218,235	3,386,738	-	-	3,386,738
Investment spending policy (Notes 2B and 4)	3,014,099	568,133	-	3,582,232	3,816,320	-	664,508	3,151,812
Food program, program fees and other	951,795	-	-	951,795	1,091,109	-	-	1,091,109
Gain on sale of property and equipment (Note 3)	431,483	-	-	431,483	-	-	-	-
Net assets released from restrictions (Note 2B)	932,114	(932,114)	-	-	-	-	(1,193,208)	1,193,208
TOTAL OPERATING REVENUE AND SUPPORT	10,022,594	196,857	-	10,219,451	10,210,094	-	(6,822)	10,216,916
OPERATING EXPENSES (Notes 2I and 2J):								
Program Services:								
Clubhouse activities	7,866,792	-	-	7,866,792	8,326,104	-	-	8,326,104
Camping	599,224	-	-	599,224	818,101	-	-	818,101
Physical education	557,863	-	-	557,863	628,107	-	-	628,107
Educational services	1,018,424	-	-	1,018,424	1,821,424	-	-	1,821,424
Food program and other	335,418	-	-	335,418	382,735	-	-	382,735
Total Program Services	10,377,721	-	-	10,377,721	11,976,471	-	-	11,976,471
Supporting Services:								
Management and general	1,334,454	-	-	1,334,454	1,361,123	-	-	1,361,123
Fundraising	1,055,192	-	-	1,055,192	1,083,317	-	-	1,083,317
Total Supporting Services	2,389,646	-	-	2,389,646	2,444,440	-	-	2,444,440
TOTAL OPERATING EXPENSES	12,767,367	-	-	12,767,367	14,420,911	-	-	14,420,911
DEFICIT OF OPERATING REVENUE AND SUPPORT OVER OPERATING EXPENSES	(2,744,773)	196,857	-	(2,547,916)	(4,210,817)	-	(6,822)	(4,203,995)
NON-OPERATING ACTIVITIES (Note 2J):								
Investment activity below amount used for operations (Note 4)	4,384,413	(1,326,067)	-	3,058,346	(776,970)	-	2,569,719	(3,346,689)
Endowment contributions (Note 2B)	-	-	-	-	73,823	73,823	-	-
Bequests	55,650	-	-	55,650	213,808	-	-	213,808
Change in value of beneficial trust (Note 2M)	-	77,270	-	77,270	94,438	-	94,438	-
TOTAL NON-OPERATING ACTIVITIES	4,440,063	(1,248,797)	-	3,191,266	(394,901)	73,823	2,664,157	(3,132,881)
CHANGE IN NET ASSETS BEFORE PENSION RELATED CHANGES AND OTHER ITEMS	1,695,290	(1,051,940)	-	643,350	(4,605,718)	73,823	2,657,335	(7,336,876)
Pension related changes other than net periodic pension costs (Note 6)	1,064,009	-	-	1,064,009	(359,408)	-	-	(359,408)
Increase in asset retirement obligation (Note 9)	171,784	-	-	171,784	(24,660)	-	-	(24,660)
CHANGE IN TOTAL NET ASSETS	2,931,083	(1,051,940)	-	1,879,143	(4,989,786)	73,823	2,657,335	(7,720,944)
Net assets - beginning of year	33,212,296	5,143,859	24,360,333	62,716,488	67,706,274	24,286,510	2,486,524	40,933,240
NET ASSETS - END OF YEAR	$ 36,143,379	$ 4,091,919	$ 24,360,333	$ 64,595,631	$ 62,716,488	$ 24,360,333	$ 5,143,859	$ 33,212,296

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

THE BOYS' CLUB OF NEW YORK
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	Year Ended September 30, 2017					Year Ended September 30, 2016				
		Supporting Services						Supporting Services		
	Program Services	Management & General	Fundraising	Total Supporting Services	Total 2017	Total 2016	Program Services	Management & General	Fundraising	Total Supporting Services
Personnel service costs	$ 5,169,245	$ 635,100	$ 624,410	$ 1,259,510	$ 6,428,755	$ 7,166,934	$ 5,942,036	$ 592,803	$ 632,095	$ 1,224,898
Payroll taxes and benefits (Note 6)	1,682,362	242,166	206,256	448,422	2,130,784	2,212,781	1,786,475	232,290	194,016	426,306
Utilities	357,097	6,745	5,218	11,963	369,060	405,885	392,325	7,746	5,814	13,560
Professional fees (Note 2N)	198,352	100,618	31,400	132,018	330,370	267,094	77,507	189,562	25	189,587
Repairs, maintenance and equipment	311,375	6,755	2,736	9,491	320,866	316,464	302,483	11,245	2,736	13,981
Insurance	264,182	68,488	7,925	76,413	340,595	349,320	271,360	69,819	8,141	77,960
Printing and publications	29,451	1,421	20,142	21,563	51,014	147,561	95,171	4,282	48,108	52,390
Information technology	-	120,832	1,634	122,466	122,466	114,308	4,232	110,076	-	110,076
Travel and transportation	41,965	14,586	3,512	18,098	60,063	144,895	125,867	14,860	4,168	19,028
Telephone and telecommunications	14,522	56,701	-	56,701	71,223	81,227	18,947	62,280	-	62,280
Office/program supplies, etc.	564,043	52,437	123,354	175,791	739,834	974,810	815,165	18,796	140,849	159,645
Tuition assistance	4,543	-	-	-	4,543	7,418	7,418	-	-	-
Food	312,760	-	-	-	312,760	421,601	421,601	-	-	-
Depreciation (Note 3)	1,427,824	28,605	28,605	57,210	1,485,034	1,810,613	1,715,884	47,364	47,365	94,729
TOTAL EXPENSES	$ 10,377,721	$ 1,334,454	$ 1,055,192	$ 2,389,646	$ 12,767,367	$ 14,420,911	$ 11,976,471	$ 1,361,123	$ 1,083,317	$ 2,444,440

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

THE BOYS' CLUB OF NEW YORK
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 1,879,143	$ (4,989,786)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	1,485,034	1,810,613
Pension related changes other than net periodic pension costs	(1,064,009)	359,408
Change in value of beneficial interest in charitable remainder unitrust	(77,270)	(94,438)
(Decrease) increase in asset retirement obligation	(171,784)	24,660
Net realized and unrealized gain on investments	(5,909,836)	(2,086,822)
Allowance for uncollectable accounts	5,250	2,450
Gain on sale of property and equipment	(431,484)	-
Permanently restricted contributions	-	(73,823)
Sub-total	(4,284,956)	(5,047,738)
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Contributions receivable	(30,855)	200,371
Redemption receivable	-	388,591
Prepaid expenses and other assets	(305,241)	154,347
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	47,555	(635,680)
Deferred revenue	(88,975)	104,134
Asset retirement obligation	(16,029)	-
Accrued pension benefit obligation	293,367	(117,839)
Net Cash Used in Operating Activities	(4,385,134)	(4,953,814)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(5,191,231)	(7,861,956)
Proceeds from sales of investments	11,019,754	12,636,168
Proceeds from sales of property and equipment	7,459,781	-
Purchases of property and equipment	(1,308,178)	(314,770)
Net Cash Provided by Investing Activities	11,980,126	4,459,442
CASH FLOWS FROM FINANCING ACTIVITIES:		
Permanently restricted contributions	-	73,823
Net Cash Provided by Financing Activities	-	73,823
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,594,992	(420,549)
Cash and cash equivalents - beginning of year	84,516	505,065
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 7,679,508	$ 84,516

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

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

The consolidated financial statements of The Boys' Club of New York and Subsidiary (the "Club") have been prepared by consolidating The Boys' Club of New York (the "Boys' Club") and Camp Cromwell, Inc (the "Camp").

Founded in 1876 by Edward H. Harriman, the Boys' Club was one of the first Boys' Clubs in America and helped launch the national Boys' Club movement. For the last 141 years, the Boys' Club has served boys from New York's poorest neighborhoods with programs that became prototypes for youth agencies around the country. The Boys' Club is an organization described under Section 501(c)(3) of the Internal Revenue Code (the "Code") and is exempt from federal income taxes under Section 501(a) of the Code.

The Camp served as a camp facility for the Club since 1986. In 1984 with the revision of the articles of incorporation of the Camp, the Boys' Club acquired the right to fully elect the Board of Directors of the Camp. In 2011, the Camp obtained an exemption from the Internal Revenue Service and is described under Section 501(c)(3) of the Code and exempt from federal income taxes under Section 501(a) of the Code.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Club's consolidated financial statements have been prepared by consolidating the financial statements of the Boys' Club and the Camp. All material intercompany transactions and balances have been eliminated in the consolidation. The consolidated financial statements have been prepared on the accrual basis of accounting. The Club adheres to accounting policies generally accepted in the United States of America ("U.S. GAAP").

B. The Club maintains its net assets under the following three classes:

Unrestricted

This represents net assets not subject to donor-imposed stipulations and that have no time restrictions. Unrestricted net assets include amounts designated by the Board of Trustees (the "Board") for operations and investment in property and equipment. The amounts designated for operations, although expendable, are designated by the Board.

Temporarily Restricted

This represents net assets subject to donor-imposed stipulations that will be met by actions of the Club or by the passage of time. In addition, earnings on endowment assets are classified as temporarily restricted until appropriated for operations by the Board of Trustees. When a stipulated time restriction ends or purpose restriction is accomplished, or endowment earnings are appropriated for operations, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Permanently Restricted

This represents net assets subject to donor-imposed stipulations that they are maintained permanently by the Club. Generally, the donors of these assets permit the Club to use all or part of the income earned on related investments for unrestricted or donor-specified purposes.

Interest and dividend income and net realized and unrealized gains (losses) on investments of permanently restricted net assets are reported as follows:

- As increases (decreases) in temporarily restricted net assets, if the terms of the gift impose restrictions on the use of the income. Such temporarily restricted net assets are reclassified to unrestricted net assets when the purpose restriction is accomplished.

  - As an increase in temporarily restricted net assets, if not appropriated by the Board.
  - As increases (decreases) in unrestricted net assets in all other cases.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Many volunteers, including members of the Board of Trustees, have made significant contributions of time in furtherance of Club's policies and programs. The value of this contributed time does not meet the criteria for recognition and therefore is not reflected in the accompanying consolidated statement of activities.

   Contributions of land, buildings and equipment without donor stipulations concerning the use of such long-lived assets are reported as revenues of the unrestricted net asset class. Contributions of cash or assets to be used to acquire land, buildings and equipment with such donor stipulations are reported as revenues of the temporarily restricted net asset class; the restrictions are considered to be released at the time of acquisition of such long-lived assets.

D. Cash and cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and are near to their maturity (three months or less at the time of purchase) except for those managed as a component of the Club's investment portfolio.

E. Investments are stated at fair value. Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of alternative investments that are not readily marketable are based upon values provided by the investment managers, which are reviewed for reasonableness by management. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 5.

F. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

   As of September 30, 2017 and 2016, the Club determined that an allowance for doubtful accounts of $26,700 and $31,950 respectively, was necessary for uncollectible accounts. This determination was based on a combination of factors such as management's estimate of the creditworthiness of its donors, a review of individual accounts outstanding, the aged basis of the receivables and historical experience.

G. Property and equipment is stated at cost less accumulated depreciation. These amounts do not purport to represent replacement or realizable values. The Club capitalizes property and equipment with a cost of $2,500 or more and a useful life of greater than two years. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

H. On occasion, the Club receives cash advances for special events that are to be held after the consolidated statement of financial position date. It is the policy of the Club to refund all cash received in advance of special events (both contribution and exchange portions), if the event is subsequently canceled. Such cash advances are recorded as deferred revenue in the accompanying financial statements.

I. The costs of providing program and supporting services of the Club have been summarized on a functional basis in the consolidated financial statements. Accordingly, certain costs have been allocated among the program and supporting services benefited.

J. The Club includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities, including an authorized investment income allocation and all contributions except for those that have been permanently restricted by donors. Investment income, including realized and unrealized gains and losses, earned in excess of (or less than) the Club's aggregate spending amount (see Note 4), bequests, contributions to permanently restricted net assets and other non-operating gains or losses are recognized as non-operating activities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. The Club recognizes bequests and legacies when wills have passed probate and the sum is certain.

L. The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

M. The Club holds a beneficial interest in an irrevocable charitable remainder unitrust which is held by a third party. The unitrust is a time-restricted contribution that is not available to the Club until after the death of the beneficiary, who, while living, receives payouts from the trust based on a fixed percentage of the market value of the invested funds each year as stated in the trust agreement.

The Club recognized an asset and temporarily restricted contribution revenue for its beneficial interest at the date the agreement was established, net of the liability recorded for the present value of the estimated future payments to be made to the beneficiary based upon their life expectancy using IRS mortality tables and the appropriate discount rates. The present value of the estimated future interest is calculated using a discount rate of 4.93% and 4.96% as of September 30, 2017 and 2016, respectively.

N. Donated services are recognized in the consolidated financial statements if the services or goods enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills. Donated teaching services received are estimated at $0 and $84,596 for the years ended September 30, 2017 and 2016, respectively, and are reflected as contributions revenue and professional fee expense in the accompanying consolidated financial statements.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of September 30, 2017 and 2016:

	2017	2016	Estimated Useful Lives
Land	$ 301,794	$ 1,340,310	-
Buildings and improvements	32,741,573	44,449,841	10-30 years
Equipment and vehicles	2,930,493	3,453,547	5 years
Total cost	35,973,860	49,243,698	
Less: accumulated depreciation	(27,302,691)	(33,367,376)	
Net book value	$ 8,671,169	$ 15,876,322	

Depreciation expense amounted to $1,485,034 and $1,810,613 for the years ended September 30, 2017 and 2016, respectively. During the year ended September 30, 2017, the Club disposed assets amounting to $7,549,719, resulting in a gain of 431,484.

NOTE 4 - INVESTMENTS

Investments consist of the following as of September 30, 2017 and 2016:

	2017	2016
Money market funds	$ 466,209	$ 1,251,518
Common stocks	8,649,391	10,491,213
Mutual funds	27,457,148	22,404,805
Fixed income	4,453,421	5,763,913
Hedge funds	8,741,992	9,754,750
	$ 49,768,161	$ 49,666,199

NOTE 4 - INVESTMENTS (Continued)

Hedge funds consist of investments with global and offshore funds with underlying investments in private investment companies, fixed income, domestic and foreign publicly traded equity securities and derivative instruments primarily in global commodities markets. Investments in private investment companies are valued at fair value using the net assets valuations provided by underlying private investment companies. The fund managers value the underlying investments at fair value based on quoted market prices or broker dealer quotations. In the absence of quoted market prices or broker-dealer quotations, investments are valued at fair value as determined by the investment managers. Because of the inherent uncertainties of valuation, these estimated fair values may differ significantly from the values that would have been realized had a ready market for these investments existed, and these differences could be material.

The Club's investment return spending policy is discretionary. During the years ended September 30, 2017 and 2016, the distribution for current spending amounted to approximately 6% of the fair value (net of investment advisory fees) of the Club's investment portfolio as of August 31, 2016 and 2015, respectively.

The components of investment activity for the years ended September 30, 2017 and 2016 are as follows:

	2017	2016
Interest and dividends	$ 968,542	$ 1,118,680
Realized gain (loss)	363,263	(143,638)
Unrealized gain/(loss)	5,546,427	2,230,460
Investment advisory fees	(237,654)	(166,152)
	$ 6,640,578	$ 3,039,350

Designation of investment return:

	2017	2016
Amount used for operations	$ 3,582,232	$ 3,816,320
Amount considered non-operating	3,058,346	(776,970)
	$ 6,640,578	$ 3,039,350

Investments in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

The investment redemption receivable represents a receivable from investment managers for investments redeemed during the year. Such receivables were subsequently collected.

NOTE 5 - FAIR VALUE MEASUREMENTS

In determining fair value, the Club utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible in its assessment of fair value.

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives lowest priority to Level 3 inputs.

NOTE 5 - FAIR VALUE MEASUREMENTS (Continued)

Investments in common stocks, mutual funds and money market funds are valued using market prices in active markets (Level 1). Corporate and government bonds are valued using quoted prices in inactive markets (Level 2). Investments in hedge equity (alternative investments) are valued at the net asset value ("NAV"), as reported by the investment managers, of shares or units held by the Club at the year end. Investments in private equity funds not readily redeemable at NAV are designated as Level 3. These valuations are not meant to be indicative of the classification of the investments in the underlying portfolio of the investment in alternative investments.

The Club's hedge equity investments valued at NAV. These funds trade and invest both long and short, in a broad range of currencies, fixed income, commodities, equities, and private investment companies, using cash markets and derivative instruments (both exchange-traded and over-the-counter). There are redemption restrictions and unfunded commitments and are classified under Level 3 of the fair value hierarchy.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period. For the years ended September 30, 2017 and 2016 there were no transfers in or out of levels 1, 2 or 3.

Financial assets carried at fair value as of September 30, 2017 are classified in the table as follows:

	Level 1	Level 2	Level 3	Total 2017
ASSETS CARRIED AT FAIR VALUE				
Investments:				
Money market funds	$ 466,209	$ -	$ -	$ 466,209
Common stocks				
Technology and media	1,416,770	-	-	1,416,770
Industrials	1,009,384	-	-	1,009,384
Consumer goods	914,241	-	-	914,241
Finance	1,122,691	-	-	1,122,691
Healthcare	763,741	-	-	763,741
Energy	2,314,577	-	-	2,314,577
Other	1,107,987	-	-	1,107,987
Mutual funds				
Domestic equity	12,679,540	-	-	12,679,540
International equity	14,777,608	-	-	14,777,608
U.S. fixed income	-	4,453,421	-	4,453,421
Hedge funds	-	-	8,741,992	8,732,561
TOTAL ASSETS AT FAIR VALUE	$ 36,572,748	$ 4,453,421	$ 8,741,992	$ 49,768,161

NOTE 5 - FAIR VALUE MEASUREMENTS (Continued)

Financial assets carried at fair value as of September 30, 2016 are classified in the table as follows:

	Level 1	Level 2	Level 3	Total 2016
ASSETS CARRIED AT FAIR VALUE				
Investments:				
Money market funds	$ 1,251,518	$ -	$ -	$ 1,251,518
Common stocks				
Technology and media	1,720,999	-	-	1,720,999
Industrials	1,736,708	-	-	1,736,708
Consumer goods	2,279,539	-	-	2,279,539
Finance	1,108,352	-	-	1,108,352
Healthcare	680,720	-	-	680,720
Energy	2,964,552	-	-	2,964,552
Other	18,343	-	-	18,343
Mutual funds				
Domestic equity	10,151,967	-	-	10,151,967
International equity	12,252,838	-	-	12,252,838
U.S. fixed income	-	5,763,913	-	5,763,913
Hedge funds	-	-	9,754,750	9,754,750
TOTAL ASSETS AT FAIR VALUE	$ 34,147,536	$ 5,763,913	$ 9,754,750	$ 49,666,199

The reconciliation for the years ended September 30, 2017 and 2016 of Level 3 investments measured at estimated fair value follows:

	2017	2016
Balance, beginning of year	$ 9,754,749	$ 11,642,220
Redemptions	(2,500,000)	(1,178,205)
Unrealized gain (loss)	1,487,243	(709,266)
Balance, end of year	$ 8,741,992	$ 9,754,749

NOTE 6 - PENSION PLANS

The Club has a defined contribution retirement pension plan ("403(b) plan") that operates under Section 403(b) of the Internal Revenue Code. All full-time employees' become eligible for the 403(b) plan on the first day of the month following the completion of 12 consecutive month-periods in which the employee first completes at least 1,250 hours of service. In 2013, the 403(b) plan was amended to include all part time employees effective October 1, 2013. The benefits are vested immediately when contributions are made. The Club makes a discretionary contribution ranging from 2% to 6% of the eligible employee salary based on their years of service. For the years ended September 30, 2017 and 2016, the Club contributed $151,189 and $156,417, respectively.

Additionally, the Club has an employee noncontributory defined benefit pension plan (the "Plan") covering eligible employees. The Club's funding policy is to contribute annually the amount necessary to satisfy federal regulations. Effective September 30, 2007, the Club amended the Plan and curtailed all future benefits under the Plan.

NOTE 6 - PENSION PLANS (Continued)

The funded status of the Plan as of September 30, 2017 and 2016 is as follows:

	2017	2016
Change in benefit obligation:		
Benefit obligation at beginning of the year	$ 11,733,724	$ 10,977,611
Interest cost	373,513	422,304
Actuarial (gain) loss	(330,038)	909,528
Benefits paid	(613,251)	(575,719)
Benefit obligation at end of year	11,163,948	11,733,724
Fair value of plan assets	8,547,066	8,346,200
Funded status	$ (2,616,882)	$ (3,387,524)
Accrued pension benefit obligation recognized in the consolidated statements of financial position	$ (2,616,882)	$ (3,387,524)

The components of the net periodic benefit cost for the years ended September 30, 2017 and 2016 are as follows:

	2017	2016
Interest cost	$ 373,513	$ 422,304
Expected return on plan assets	(445,620)	(443,196)
Amortization of actuarial loss	428,619	372,363
Net periodic cost	$ 356,512	$ 351,471

The amounts recognized in the change in unrestricted net assets for the years ended September 30, 2017 and 2016 were as follows:

	2017	2016
Net actuarial gain (loss)	$ (635,390)	$ 731,771
Recognition of amortization of actuarial loss	(428,619)	(372,363)
	$ (1,064,009)	$ 359,408

As of September 30, 2017 and 2016, the amounts recognized in unrestricted net assets consist of cumulative actuarial losses of $3,859,094 and $4,923,103, respectively. Employee census data as of October 1, 2016 was projected forward to the September 30, 2017 measurement date. The accumulated benefit obligation amounted to $11,163,948 and $11,733,724 as of September 30, 2017 and 2016, respectively.

Assumptions:

The weighted assumptions used as of and for the years ended September 30, 2017 and 2016 are as follows:

	2017	2016
Benefit obligation:		
Discount rate	3.24%	3.24%
Expected return on plan assets	7.00%	7.00%
Rate of compensation increase	N/A	N/A
Net periodic pension cost:		
Discount rate	3.24%	3.24%
Expected return on plan assets	7.00%	7.00%
Rate of compensation increase	N/A	N/A

NOTE 6 - PENSION PLANS (Continued)

The Plan assets as of September 30, 2017 and 2016 consist of the following:

	2017	2016
Cash and money funds	$ 490,537	$ 4,537
Common stocks	880,732	969,987
Mutual funds:		
Domestic equity	4,590,128	4,359,355
International equity	1,439,864	1,283,841
Fixed income	1,145,805	1,728,480
	$ 8,547,066	$ 8,346,200

The Plan assets are reported at fair value and classified under Level 1 of the fair value hierarchy (see Note 5 for the definitions of fair value hierarchy).

The long-term rate of return was developed by estimating the expected long-term real return for each asset class within the portfolio, computing an average weighted real rate of return for the portfolio as a whole, reflecting both the Plan's expected asset class allocation and the correlations between the various asset classes, and adding that expected real rate of return to the expected long-term rate of inflation. The expected long-term rate of return reflects an expected real rate of return and an underlying inflation component per year.

The Club expects to contribute $629,000 to the Plan during the year ended September 30, 2018.

The projected benefit payments are as follows:

Year ending September 30:	
2018	$ 619,000
2019	622,000
2020	635,000
2021	657,000
2022	658,000
Next 5 years	3,276,000
	$ 6,467,000

NOTE 7 - CONTRIBUTIONS RECEIVABLE

Contributions receivable are recorded net of a discount (at a risk adjusted rate) to reflect the present value of future cash flows and are scheduled to be collected as follows as of September 30, 2017 and 2016:

	2017	2016
One year or less	$ 337,750	$ 262,395
One year to five years	25,000	80,000
	362,750	342,395
Less allowance for doubtful accounts	(26,700)	(31,950)
Less present value discount, rates ranging from 1.0% to 3.875%	(4,295)	(4,295)
	$ 331,755	$ 306,150

NOTE 8 - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets as of September 30, 2017 and 2016 are restricted by donors for the following purposes or periods:

	2017	2016
Clubhouses- social, cultural, health and physical development	$ 20,793	$ 14,727
Time and purpose restricted	2,034,204	1,766,143
Unappropriated endowment earnings	2,036,922	3,362,989
	$ 4,091,919	$ 5,143,859

Permanently restricted net assets consist of endowment gifts from donors with income to be used for unrestricted purposes with respect to approximately $9.8 million and for donor-specified purposes (interest and dividends only), principally educational, scholarship, music and arts with respect to approximately $14.5 million of endowment net assets as of September 30, 2017 and 2016.

Endowment net assets consist of donor-restricted endowment funds. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor imposed restrictions. See Note 2B for how the Club maintains its net assets.

The Club follows the New York State law known as the New York Prudent Management of Institutional Funds Act ("NYPMIFA") which, among other things, contains a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted permanent endowment fund's fair value (averaged over a period of not less than the preceding five years) in any year. Any unappropriated earnings that would otherwise be considered unrestricted by the donor must be reflected as temporarily restricted until appropriated by the Board. The Club's Board has interpreted NYPMIFA as allowing the Club to appropriate for expenditure or accumulate so much of an endowment fund as the Club determines is prudent for the uses, benefits, purposes and duration for which the endowment fund was established, subject to the intent of the donor as expressed in the gift instrument.

For donor-restricted endowment funds, the Board of the Club makes long-term investment policies. Investments consist of cash equivalents, equity and fixed income securities, mutual funds, limited partnerships, and hedge equity funds and are diversified as to minimize the risk of large losses. Asset allocations and fund managers are determined by the Investment Committee.

The Club's policy is that endowment earnings will be spent in accordance with the donor's stipulations. In the absence of donor stipulations, endowment earnings are classified as temporarily restricted until appropriated for operations by the Board.

Changes in endowment net assets for year ended September 30, 2017 are as follows:

	Temporarily Restricted	Permanently Restricted	Total 2017
Investment Activity:			
Interest and dividends	$ 568,133	$ -	$ 568,133
Realized and unrealized gains, net	2,971,596	-	2,971,596
Total investment activity	3,539,729	-	3,539,729
Other transfers out	(2,834,239)	-	(2,834,239)
Amount appropriated by the Board	(2,031,557)	-	(2,031,557)
Total change	(1,326,067)	-	(1,326,067)
Balance, beginning of year	3,362,989	24,360,333	27,723,322
Balance, end of year	$ 2,036,922	$ 24,360,333	$ 26,397,255

NOTE 8 - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS (Continued)

Changes in endowment net assets for year ended September 30, 2016 are as follows:

	Temporarily Restricted	Permanently Restricted	Total 2016
Investment Activity:			
Interest and dividends	$ 664,508	$ -	$ 664,508
Realized and unrealized gains, net	2,784,564	-	1,025,858
Total investment activity	3,449,072	-	1,690,366
Other transfers in	-	73,823	73,823
Amount appropriated by the Board	(879,353)	-	879,353
Total change	2,569,719	73,823	2,643,542
Balance, beginning of year	793,270	24,286,510	25,079,780
Balance, end of year	$ 3,362,989	$ 24,360,333	$ 27,723,322

Permanently restricted endowment net assets of $24,360,333 and $24,360,333 are included with investments in the consolidated statements of financial position as of September 30, 2017 and 2016, respectively.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts (underwater). When underwater endowment funds exist, they are classified as a reduction of unrestricted net assets. There were no underwater endowment funds as September 30, 2017 and 2016.

NOTE 9 - ASSET RETIREMENT OBLIGATION

A. In accordance with FASB ASC 405-20 Accounting for Conditional Asset Retirement Obligations, the Club is required to recognize a liability for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated. Under FASB ASC 405-20, costs related to legal obligations to perform certain activities in connection with the retirement, disposal, or abandonment of assets are required to be accrued. The Club identified asbestos abatement as a conditional asset retirement obligation for certain buildings and improvements and computes the present value of remediation costs to be a liability. As of September 30, 2017 and 2016, the obligation related to this amounted to $658,862 and $846,675, respectively.

B. In June 15, 2017, Boys Club sold land and building located at 850 Vosseller Avenue, Bridgewater Township, Somerset County, NJ for $7.5 million. As a part of the purchase agreement, Boys Club agreed to hold back, in escrow, $400,000 from the purchase price for environmental remediation. The escrowed monies may be used for any environmental remediation and all of the escrow fund can be spent if necessary. Upon the issuance of the area of concern response action response ("AOC, ROA"), any escrow monies still remaining after the payment of the remediation costs incurred to obtain the AOC RAO, shall be released to Boys Club. The escrow monies is $383,971 as of September 30, 2017, and included in prepaid expenses and other assets on the consolidated statements of financial position.

NOTE 10 - CONCENTRATION AND CONTINGENCIES

A. Cash and cash equivalents that potentially subject the Club to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Cash accounts are insured up to $250,000 per depositor. As of September 30, 2017 and 2016, there was approximately $7,444,000 and $458,000, respectively, of cash and cash equivalents held by banks that exceeded FDIC limits.

NOTE 10 - CONCENTRATION AND CONTINGENCIES (Continued)

B. The Club believes it has no uncertain tax positions as of September 30, 2017 and 2016 in accordance with Accounting Standards Codification ("ASC") Topic 740, "Income Taxes," which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

NOTE 11 - LINE OF CREDIT

The Club has a line of credit with J.P. Morgan with a maximum borrowing limit in the amount of $5,000,000 which expires October 31, 2018. The line of credit bears interest at the Variable Libor Rate plus 1.25 percent unless the borrower specifically requests a Loan that bears interest at the Fixed Libor Rate plus 1.25%. As of February 13, 2018, BCNY does not have outstanding balance on the line of credit.

NOTE 12 - SUBSEQUENT EVENTS

Management has evaluated for potential recognition and disclosure events subsequent to the date of the consolidated statements of financial position through February 13, 2018, the date the consolidated financial statements were available to be issued.

THE BOYS' CLUB OF NEW YORK
CONSOLIDATING SCHEDULES OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 2017 AND 2016

	As of September 30, 2017				As of September 30, 2016			
	Boys Club of New York	Camp Cromwell	Consolidating Eliminations	Consolidated Total 2017	Consolidated Total 2016	Boys Club of New York	Camp Cromwell	Consolidating Eliminations
ASSETS								
Cash and cash equivalents	$ 830,220	$ 6,849,288	$ -	$ 7,679,508	$ 84,516	$ 74,516	$ 10,000	$ -
Contributions receivable, net	331,755	-	-	331,755	306,150	306,150	-	-
Investments	49,768,161	-	-	49,768,161	49,686,848	49,686,848	-	-
Prepaid expenses and other assets	299,023	383,971	-	682,994	377,753	377,753	-	-
Due from related party	-	244,058	(244,058)	-	-	-	244,058	(244,058)
Beneficial interest in charitable remainder unitrust	1,544,419	-	-	1,544,419	1,467,149	1,467,149	-	-
Property and equipment, net	8,671,169	-	-	8,671,169	15,876,322	8,545,372	7,330,950	-
TOTAL ASSETS	$ 61,444,747	$ 7,477,317	$ (244,058)	$ 68,678,006	$ 67,798,738	$ 60,457,788	$ 7,585,008	$ (244,058)
LIABILITIES								
Accounts payable and accrued expenses	$ 173,472	$ -	$ -	$ 173,472	$ 125,917	$ 125,917	$ -	$ -
Deferred revenue	633,159	-	-	633,159	722,134	722,134	-	-
Due to related party	244,058	-	(244,058)	-	-	244,058	-	(244,058)
Accrued pension benefit obligation	2,616,882	-	-	2,616,882	3,387,524	3,387,524	-	-
Asset retirement obligation	658,862	-	-	658,862	846,675	846,675	-	-
TOTAL LIABILITIES	4,326,433	-	(244,058)	4,082,375	5,082,250	5,326,308	-	(244,058)
NET ASSETS								
Unrestricted								
Designated for operations	20,653,755	7,477,317	-	28,131,072	18,182,649	17,928,591	254,058	-
Net investment in property and equipment	8,012,307	-	-	8,012,307	15,029,647	7,698,697	7,330,950	-
Total unrestricted	28,666,062	7,477,317	-	36,143,379	33,212,296	25,627,288	7,585,008	-
Temporarily restricted	4,091,919	-	-	4,091,919	5,143,859	5,143,859	-	-
Permanently restricted	24,360,333	-	-	24,360,333	24,360,333	24,360,333	-	-
TOTAL NET ASSETS	57,118,314	7,477,317	-	64,595,631	62,716,488	55,131,480	7,585,008	-
TOTAL LIABILITIES AND NET ASSETS	$ 61,444,747	$ 7,477,317	$ (244,058)	$ 68,678,006	$ 67,798,738	$ 60,457,788	$ 7,585,008	$ (244,058)

See independent auditors' report.

THE BOYS' CLUB OF NEW YORK
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Boys Club of New York				Camp Cromwell		Consolidated Total			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total Unrestricted	Consolidating Eiminations	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2017
OPERATING REVENUE AND SUPPORT:										
Contributions	$ 1,474,868	$ 560,838	$ -	$ 2,035,706	$ -	$ -	$ 1,474,868	$ 560,838	$ -	$ 2,035,706
Special events (net of direct expenses of $427,927)	3,218,235	-	-	3,218,235	-	-	3,218,235	-	-	3,218,235
Investment return (net of investment management expenses of $237,654)	3,000,000	568,133	-	3,568,133	14,099	-	3,014,099	568,133	-	3,582,232
Food program, program fees and other	951,795	-	-	951,795	-	-	951,795	-	-	951,795
Grant income	-	-	-	-	45,951	(45,951)	-	-	-	-
Gain on sale of property and equipment	-	-	-	-	431,483	-	431,483	-	-	431,483
Net assets released from restrictions	932,114	(932,114)	-	-	-	-	932,114	(932,114)	-	-
TOTAL OPERATING REVENUE AND SUPPORT	9,577,012	196,857	-	9,773,869	491,533	(45,951)	10,022,594	196,857	-	10,219,451
OPERATING EXPENSES:										
Program Services:										
Clubhouse activities	7,866,792	-	-	7,866,792	-	-	7,866,792	-	-	7,866,792
Camping	45,951	-	-	45,951	599,224	(45,951)	599,224	-	-	599,224
Physical education	557,863	-	-	557,863	-	-	557,863	-	-	557,863
Educational services	1,018,424	-	-	1,018,424	-	-	1,018,424	-	-	1,018,424
Food program and other	335,418	-	-	335,418	-	-	335,418	-	-	335,418
Total Program Services	9,824,448	-	-	9,824,448	599,224	(45,951)	10,377,721	-	-	10,377,721
Supporting Services:										
Management and general	1,334,454	-	-	1,334,454	-	-	1,334,454	-	-	1,334,454
Fundraising	1,055,192	-	-	1,055,192	-	-	1,055,192	-	-	1,055,192
Total Supporting Services	2,389,646	-	-	2,389,646	-	-	2,389,646	-	-	2,389,646
TOTAL OPERATING EXPENSES	12,214,094	-	-	12,214,094	599,224	(45,951)	12,767,367	-	-	12,767,367
DEFICIT OF OPERATING REVENUE AND SUPPORT OVER OPERATING EXPENSES	(2,637,082)	196,857	-	(2,440,225)	(107,691)	-	(2,744,773)	196,857	-	(2,547,916)
NON-OPERATING ACTIVITIES:										
Investment return in excess of amount used for operations	4,384,413	(1,326,067)	-	3,058,346	-	-	4,384,413	(1,326,067)	-	3,058,346
Bequests	55,650	-	-	55,650	-	-	55,650	-	-	55,650
Change in value of beneficial trust	-	77,270	-	77,270	-	-	-	77,270	-	77,270
TOTAL NON-OPERATING ACTIVITIES	4,440,063	(1,248,797)	-	3,191,266	-	-	4,440,063	(1,248,797)	-	3,191,266
CHANGE IN NET ASSETS BEFORE PENSION RELATED CHANGES AND OTHER ITEMS	1,802,981	(1,051,940)	-	751,041	(107,691)	-	1,695,290	(1,051,940)	-	643,350
Pension related changes other than net periodic pension costs	1,064,009	-	-	1,064,009	-	-	1,064,009	-	-	1,064,009
Increase in asset retirement obligation	171,784	-	-	171,784	-	-	171,784	-	-	171,784
CHANGE IN TOTAL NET ASSETS	3,038,774	(1,051,940)	-	1,986,834	(107,691)	-	2,931,083	(1,051,940)	-	1,879,143
Net assets - beginning of year	25,627,288	5,143,859	24,360,333	55,131,480	7,585,008	-	33,212,296	5,143,859	24,360,333	62,716,488
NET ASSETS - END OF YEAR	$ 28,666,062	$ 4,091,919	$ 24,360,333	$ 57,118,314	$ 7,477,317	$ -	$ 36,143,379	$ 4,091,919	$ 24,360,333	$ 64,595,631

See independent auditors' report.

THE BOYS' CLUB OF NEW YORK
CONSOLIDATING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Boys Club of New York				Camp Cromwell		Consolidated Total			
	Unrestricted	**Temporarily Restricted**	**Permanently Restricted**	**Total**	**Total Unrestricted**	**Consolidating Eiminations**	**Unrestricted**	**Temporarily Restricted**	**Permanently Restricted**	**Total 2016**
OPERATING REVENUE AND SUPPORT:										
Contributions	$ 1,321,899	$ 521,878	$ -	$ 1,843,777	$ 72,150	$ -	$ 1,394,049	$ 521,878	$ -	$ 1,915,927
Special events (net of direct expenses of $409,544)	3,386,738	-	-	3,386,738	-	-	3,386,738	-	-	3,386,738
Investment return (net of investment management expenses of $166,152)	3,151,812	664,508	-	3,816,320	-	-	3,151,812	664,508	-	3,816,320
Food program, program fees and other	1,091,109	-	-	1,091,109	-	-	1,091,109	-	-	1,091,109
Grant income	-	-	-	-	209,560	(209,560)	-	-	-	-
Net assets released from restrictions	1,193,208	(1,193,208)	-	-	-	-	1,193,208	(1,193,208)	-	-
TOTAL OPERATING REVENUE AND SUPPORT	10,144,766	(6,822)	-	10,137,944	281,710	(209,560)	10,216,916	(6,822)	-	10,210,094
OPERATING EXPENSES:										
Program Services:										
Clubhouse activities	8,326,104	-	-	8,326,104	-	-	8,326,104	-	-	8,326,104
Camping	209,560	-	-	209,560	818,101	(209,560)	818,101	-	-	818,101
Physical education	628,107	-	-	628,107	-	-	628,107	-	-	628,107
Educational services	1,821,424	-	-	1,821,424	-	-	1,821,424	-	-	1,821,424
Food program and other	382,735	-	-	382,735	-	-	382,735	-	-	382,735
Total Program Services	11,367,930	-	-	11,367,930	818,101	(209,560)	11,976,471	-	-	11,976,471
Supporting Services:										
Management and general	1,361,123	-	-	1,361,123	-	-	1,361,123	-	-	1,361,123
Fund raising	1,083,317	-	-	1,083,317	-	-	1,083,317	-	-	1,083,317
Total Supporting Services	2,444,440	-	-	2,444,440	-	-	2,444,440	-	-	2,444,440
TOTAL OPERATING EXPENSES	13,812,370	-	-	13,812,370	818,101	(209,560)	14,420,911	-	-	14,420,911
DEFICIT OF OPERATING REVENUE AND SUPPORT OVER OPERATING EXPENSES	(3,667,604)	(6,822)	-	(3,674,426)	(536,391)	-	(4,203,995)	(6,822)	-	(4,210,817)
NON-OPERATING ACTIVITIES:										
Investment return in excess of amount appropriated for operations	(3,346,689)	2,569,719	-	(776,970)	-	-	(3,346,689)	2,569,719	-	(776,970)
Endowment contributions	-	-	73,823	73,823	-	-	-	-	73,823	73,823
Bequests	213,808	-	0	213,808	-	-	213,808	-	-	213,808
Change in value of beneficial trust	-	94,438	-	94,438	-	-	-	94,438	-	94,438
TOTAL NON-OPERATING ACTIVITIES	(3,132,881)	2,664,157	73,823	(394,901)	-	-	(3,132,881)	2,664,157	73,823	(394,901)
CHANGE IN NET ASSETS BEFORE PENSION RELATED CHANGES AND OTHER ITEMS	(6,800,485)	2,657,335	73,823	(4,069,327)	(536,391)	-	(7,336,876)	2,657,335	73,823	(4,605,718)
Pension related changes other than net periodic pension costs	(359,408)	-	-	(359,408)	-	-	(359,408)	-	-	(359,408)
Decrease in asset retirement obligation	(24,660)	-	-	(24,660)	-	-	(24,660)	-	-	(24,660)
CHANGE IN TOTAL NET ASSETS	(7,184,553)	2,657,335	73,823	(4,453,395)	(536,391)	-	(7,720,944)	2,657,335	73,823	(4,989,786)
Net assets - beginning of year	32,811,841	2,486,524	24,286,510	59,584,875	8,121,399	-	40,933,240	2,486,524	24,286,510	67,706,274
NET ASSETS - END OF YEAR	$ 25,627,288	$ 5,143,859	$ 24,360,333	$ 55,131,480	$ 7,585,008	$ -	$ 33,212,296	$ 5,143,859	$ 24,360,333	$ 62,716,488

See independent auditors' report.

THE BOYS' CLUB OF NEW YORK
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Program Services			Management and Administration			Fundraising		
	Boys Club of New York	Camp Cromwell	Total Program Services	Boys Club of New York	Camp Cromwell	Total Management and Administration	Boys Club of New York	Consolidating Eliminations	Total 2017
Personnel service costs	$ 5,163,548	$ 5,697	$ 5,169,245	$ 635,100	$ -	$ 635,100	$ 624,410	$ -	$ 6,428,755
Payroll taxes and benefits	1,682,362	-	1,682,362	242,166	-	242,166	206,256	-	2,130,784
Grant expense	45,951	-	45,951		-	-	-	(45,951)	-
Utilities	325,335	31,762	357,097	6,745	-	6,745	5,218	-	369,060
Professional fees	3,000	195,352	198,352	100,618	-	100,618	31,400	-	330,370
Repairs, maintenance and equipment	305,284	6,091	311,375	6,755	-	6,755	2,736	-	320,866
Insurance	264,182	-	264,182	68,488	-	68,488	7,925	-	340,595
Printing and publications	29,451	-	29,451	1,421	-	1,421	20,142	-	51,014
Information technology	-	-	-	120,832	-	120,832	1,634	-	122,466
Travel and transportation	41,427	538	41,965	14,586	-	14,586	3,512	-	60,063
Telephone and telecommunications	6,795	7,727	14,522	56,701	-	56,701	-	-	71,223
Office/program supplies, etc.	514,642	49,401	564,043	52,437	-	52,437	123,354	-	739,834
Tuition assistance	4,543	-	4,543	-	-	-	-	-	4,543
Food	312,760	-	312,760	-	-	-	-	-	312,760
Depreciation	1,125,168	302,656	1,427,824	28,605	-	28,605	28,605	-	1,485,034
TOTAL EXPENSES - BEFORE ALLOCATION	9,824,448	599,224	10,423,672	1,334,454	-	1,334,454	1,055,192	(45,951)	12,767,367
ALLOCATION OF ELIMINATIONS	(45,951)	-	(45,951)	-	-	-	-	45,951	-
TOTAL EXPENSES	$ 9,778,497	$ 599,224	$ 10,377,721	$ 1,334,454	$ -	$ 1,334,454	$ 1,055,192	$ -	$ 12,767,367

See independent auditors' report.

THE BOYS' CLUB OF NEW YORK
CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2016

	Program Services			Management and Administration			Fundraising		
	Boys Club of New York	Camp Cromwell	Total Program Services	Boys Club of New York	Camp Cromwell	Total Management and Administration	Boys Club of New York	Consolidating Eliminations	Total 2016
Personnel service costs	$ 5,895,801	$ 46,235	$ 5,942,036	$ 592,803	$ -	$ 592,803	$ 632,095	$ -	$ 7,166,934
Payroll taxes and benefits	1,772,091	14,384	1,786,475	232,290	-	232,290	194,016	-	2,212,781
Grant expense	209,560	-	209,560	-	-	-	-	(209,560)	-
Utilities	343,748	48,577	392,325	7,746	-	7,746	5,814	-	405,885
Professional fees	77,479	28	77,507	189,562	-	189,562	25	-	267,094
Repairs, maintenance and equipment	272,170	30,313	302,483	11,245	-	11,245	2,736	-	316,464
Insurance	217,088	54,272	271,360	69,819	-	69,819	8,141	-	349,320
Printing and publications	95,171	-	95,171	4,282	-	4,282	48,108	-	147,561
Information technology	3,937	295	4,232	110,076	-	110,076	-	-	114,308
Travel and transportation	124,888	979	125,867	14,860	-	14,860	4,168	-	144,895
Telephone and telecommunications	7,424	11,523	18,947	62,280	-	62,280	-	-	81,227
Office/program supplies, etc.	812,211	2,954	815,165	18,796	-	18,796	140,849	-	974,810
Tuition assistance	7,418	-	7,418	-	-	-	-	-	7,418
Food	421,601	-	421,601	-	-	-	-	-	421,601
Bad debt	-	-	-	-	-	-	-	-	-
Depreciation	1,107,343	608,541	1,715,884	47,364	-	47,364	47,365	-	1,810,613
TOTAL EXPENSES - BEFORE ALLOCATION	11,367,930	818,101	12,186,031	1,361,123	-	1,361,123	1,083,317	(209,560)	14,420,911
ALLOCATION OF ELIMINATIONS	(209,560)	-	(209,560)	-	-	-	-	209,560	-
TOTAL EXPENSES	$ 11,158,370	$ 818,101	$ 11,976,471	$ 1,361,123	$ -	$ 1,361,123	$ 1,083,317	$ -	$ 14,420,911