

**PLYMOUTH CHRISTIAN YOUTH CENTER  
MINNEAPOLIS, MINNESOTA**

**CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**



**PLYMOUTH CHRISTIAN YOUTH CENTER**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
**Plymouth Christian Youth Center**  
Minneapolis, Minnesota

### Opinion

We have audited the consolidated financial statements of Plymouth Christian Youth Center, which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Plymouth Christian Youth Center as of June 30, 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 (GAAS). 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 Plymouth Christian Youth Center 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated 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 Plymouth Christian Youth Center's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS 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.

**Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements (Continued)**

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.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 Plymouth Christian Youth Center’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 Plymouth Christian Youth Center’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 previously audited Plymouth Christian Youth Center’s 2023 consolidated financial statements, and we expressed an unmodified opinion on those audited consolidated financial statements in our report dated November 30, 2023. In our opinion, the summarized comparative financial information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.



Minneapolis, Minnesota  
September 27, 2024

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2024 and 2023**

<b>ASSETS</b>	<b>2024</b>	<b>2023</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 297,923	\$ 225,975
Restricted cash	50,000	50,000
Grants and contracts receivable	381,761	76,441
Pledges receivable	9,012	3,880
Prepaid expenses	67,209	55,114
Total Current Assets	<u>805,905</u>	<u>411,410</u>
<b>Property and Equipment, net</b>	<u>14,400,940</u>	<u>15,031,198</u>
<b>Other Assets</b>		
Investments	165,578	821,766
Notes receivable	7,511,800	7,511,800
Due from MACC Alliance	17,225	17,225
Total Other Assets	<u>7,694,603</u>	<u>8,350,791</u>
<b>TOTAL ASSETS</b>	<u>\$ 22,901,448</u>	<u>\$ 23,793,399</u>

**See Notes to Consolidated Financial Statements**

<b>LIABILITIES AND NET ASSETS</b>	<b>2024</b>	<b>2023</b>
<b>Current Liabilities</b>		
Current portion of long-term debt	\$ 82,274	\$ 77,796
Accounts payable	15,557	46,565
Accrued payroll and related expenses	117,969	159,897
Accrued interest	39,620	19,708
Deferred revenue	32,585	37,985
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Total Current Liabilities	288,005	341,951
<b>Long-Term Debt, net</b>	<b>13,431,927</b>	14,487,113
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Total Liabilities	13,719,932	14,829,064
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<b>Net Assets</b>		
Without donor restrictions:		
Designated by the Board of Directors	-	589,032
Undesignated	8,933,602	8,126,770
Total Without Donor Restrictions	8,933,602	8,715,802
With donor restrictions	247,914	248,533
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Total Net Assets	9,181,516	8,964,335
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<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 22,901,448</b>	<b>\$ 23,793,399</b>
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**PLYMOUTH CHRISTIAN YOUTH CENTER**

**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

For the Year Ended June 30, 2024

With Comparative Totals for the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2024	2023
<b>Support and Revenues</b>				
Contributions	\$ 2,429,895	\$ 50,000	\$ 2,479,895	\$ 2,096,527
Minneapolis Public Schools	1,176,443	-	1,176,443	1,067,931
Government contributions	501,257	33,016	534,273	407,275
Contracts	90,000	-	90,000	550,000
Ticket and concessions revenue	82,394	-	82,394	57,151
Rental income	179,820	-	179,820	93,798
Other income	3,984	-	3,984	839
Investment return	152,934	-	152,934	160,382
In-kind contributions	24,000	-	24,000	18,511
<b>Net Assets Released From Restrictions</b>	<b>83,635</b>	<b>(83,635)</b>	-	-
Total Support and Revenues	<b>4,724,362</b>	<b>(619)</b>	<b>4,723,743</b>	4,452,414
<b>Functional Expenses</b>				
Program services:				
Education programs	2,106,037	-	2,106,037	2,194,530
Youth and family programs	314,701	-	314,701	494,303
Cultural arts programs	1,521,289	-	1,521,289	1,557,672
General and administrative	369,572	-	369,572	406,833
Fundraising	194,963	-	194,963	160,306
Total Functional Expenses	<b>4,506,562</b>	-	<b>4,506,562</b>	4,813,644
<b>Increase (Decrease) in Net Assets</b>	<b>217,800</b>	<b>(619)</b>	<b>217,181</b>	<b>(361,230)</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>8,715,802</b>	<b>248,533</b>	<b>8,964,335</b>	9,325,565
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 8,933,602</b>	<b>\$ 247,914</b>	<b>\$ 9,181,516</b>	<b>\$ 8,964,335</b>

See Notes to Consolidated Financial Statements

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended June 30, 2024**

	Program Services			Total Program Services	Support Services		Total Functional Expenses
	Education Programs	Youth & Family Programs	Cultural Arts Program		Management & General	Fundraising	
Salaries	\$ 967,551	\$ 131,895	\$ 424,284	\$ 1,523,730	\$ 299,502	\$ 28,732	\$ 1,851,964
Employee benefits	98,269	14,203	45,578	158,050	30,047	2,827	190,924
Payroll taxes	73,345	10,328	35,636	119,309	21,763	2,101	143,173
<b>Total Personnel Costs</b>	<b>1,139,165</b>	<b>156,426</b>	<b>505,498</b>	<b>1,801,089</b>	<b>351,312</b>	<b>33,660</b>	<b>2,186,061</b>
Depreciation	109,320	41,550	468,043	618,913	7,563	3,782	630,258
Professional fees	260,671	21,398	220,599	502,668	3,456	101,198	607,322
Occupancy	376,164	28,893	173,119	578,176	5,106	12,105	595,387
Interest	127,464	9,805	54,979	192,248	1,733	4,108	198,089
Supplies	54,691	26,218	43,035	123,944	-	630	124,574
Miscellaneous	18,910	25,207	33,058	77,175	209	27,161	104,545
Office expense	14,813	1,100	13,823	29,736	150	12,063	41,949
Staff and volunteer development	2,607	3,952	7,984	14,543	30	227	14,800
Travel	1,376	86	782	2,244	1	1	2,246
Telecommunications	856	66	369	1,291	12	28	1,331
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 2,106,037</b>	<b>\$ 314,701</b>	<b>\$ 1,521,289</b>	<b>\$ 3,942,027</b>	<b>\$ 369,572</b>	<b>\$ 194,963</b>	<b>\$ 4,506,562</b>

**See Notes to Consolidated Financial Statements**

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

**For the Year Ended June 30, 2023**

	Program Services			Total Program Services	Support Services		Total Functional Expenses
	Education Programs	Youth & Family Programs	Cultural Arts Program		Management & General	Fundraising	
Salaries	\$ 936,384	\$ 231,986	\$ 425,628	\$ 1,593,998	\$ 316,826	\$ 4,068	\$ 1,914,892
Employee benefits	96,651	24,189	43,851	164,691	32,464	441	197,596
Payroll taxes	108,463	27,730	48,335	184,528	33,717	332	218,577
<b>Total Personnel Costs</b>	<b>1,141,498</b>	<b>283,905</b>	<b>517,814</b>	<b>1,943,217</b>	<b>383,007</b>	<b>4,841</b>	<b>2,331,065</b>
Depreciation	121,715	46,262	478,438	646,415	8,421	4,211	659,047
Professional fees	280,835	22,650	231,405	534,890	4,860	72,034	611,784
Occupancy	322,037	35,484	158,940	516,461	5,754	9,909	532,124
Interest	179,679	13,821	77,400	270,900	3,211	5,529	279,640
Supplies	42,394	82,743	26,218	151,355	1	2	151,358
Miscellaneous	59,843	5,012	37,510	102,365	1,018	53,344	156,727
Office expense	37,446	2,437	21,054	60,937	407	10,170	71,514
Staff and volunteer development	7,489	1,812	7,808	17,109	126	217	17,452
Travel	397	85	569	1,051	7	12	1,070
Telecommunications	1,197	92	516	1,805	21	37	1,863
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 2,194,530</b>	<b>\$ 494,303</b>	<b>\$ 1,557,672</b>	<b>\$ 4,246,505</b>	<b>\$ 406,833</b>	<b>\$ 160,306</b>	<b>\$ 4,813,644</b>

**See Notes to Consolidated Financial Statements**

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Cash Flows From Operating Activities</b>		
Increase (Decrease) in net assets	\$ 217,181	\$ (361,230)
Adjustments to reconcile change in net assets to net cash from operations:		
Depreciation	630,258	659,047
Investment (income) retained in investments	(72,983)	(84,859)
Amortization of loan origination fees	4,749	7,125
(Increase) Decrease in:		
Grants and contracts receivable	(305,320)	275,414
Pledges receivable	(5,132)	12,920
Prepaid expenses	(12,095)	77,152
Increase (Decrease) in:		
Accounts payable	(31,008)	10,794
Accrued payroll and related expenses	(41,928)	26,047
Accrued interest	19,912	-
Deferred revenue	(5,400)	12,610
Net Cash Provided By Operating Activities	<u>398,234</u>	<u>635,020</u>
<b>Cash Flows From Investing Activities</b>		
Proceeds from sale of investments	751,171	300,000
Purchase of investments	(22,000)	-
Expenditures for property and equipment	-	(129,595)
Net Cash Provided By Investing Activities	<u>729,171</u>	<u>170,405</u>

**See Notes to Consolidated Financial Statements**

	2024	2023
<b>Continued</b>		
<b>Cash Flows From Financing Activities</b>		
Principal payments on long-term debt	<u>(1,055,457)</u>	<u>(1,022,654)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>71,948</b>	<b>(217,229)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u><b>275,975</b></u>	<u>493,204</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><b>\$ 347,923</b></u>	<u>\$ 275,975</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents	<b>\$ 297,923</b>	<b>\$ 225,975</b>
Restricted cash	<u><b>50,000</b></u>	<u>50,000</u>
Total	<u><b>\$ 347,923</b></u>	<u>\$ 275,975</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash Paid During the Year for Interest	<b>\$ 173,428</b>	<b>\$ 272,515</b>

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## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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#### 1. Organization and Summary of Significant Accounting Policies

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##### Principles of Consolidation

The consolidated financial statements include the financial statements of Plymouth Christian Youth Center (PCYC) and Capri Real Estate Holding Company (CREHC), combined the Organization. All significant intercompany accounts and transactions have been eliminated in consolidation.

CREHC was created to help secure New Markets Tax Credit funding to complete the construction on the renovation and expansion of the Capri Theater.

##### Description of Organization

Plymouth Christian Youth Center (PCYC) is a North Minneapolis-based nonprofit providing arts, education, youth development, and community programming since 1954. PCYC has owned and operated the Capri since 1984, a historic theater built in 1927 and the last of thirteen theaters that once operated on the Northside of Minneapolis.

*Mission:* Rooted in North Minneapolis, PCYC ignites a spirit of inspiration, connection, and growth.

*Vision:* PCYC is a place of strength, safety and beauty where every young person is nurtured and challenged to reach their utmost potential. Youth, adults, families and communities come together to turn back the tides of poverty and violence, embracing hope, compassion and the reality of a better world.

##### *Operating Principles:*

- Achieve life-changing results for program participants
- Adapt programs and activities to the times
- Create a welcoming, safe and inclusive environment
- Serve as a vital community anchor, offering hope, leadership and effective action
- Support the growth and well-being of staff, volunteers and community friends
- Exercise wise stewardship of the PCYC's gifts and assets

## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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#### 1. Description of the Organization and Summary of Significant Accounting Policies (Continued)

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##### Description of Organization (Continued)

##### *Core Programs:*

- **Bright Futures:** A free enrichment program providing academic and social-emotional skill building for K-5th grade students. Youth are provided an academic boost and a safe, nurturing place to spend their summers and afterschool hours. Focused on closing the achievement gap, children strengthen competencies year-round and maintain academic achievement levels over the summer. In the 2023-2024 fiscal year, PCYC pivoted and refined their model from afterschool programming to biweekly Saturday programming in response to funding restraints. PCYC also partnered with the Children's Defense Fund to host the inaugural Bring Futures Summer Freedom School.
- **PYC Arts & Technology High School (PYC):** A contract alternative high school enrolling youth whose educational needs have not been met by traditional schools. Students typically come behind in credit and achievement levels, and PYC's small class sizes and individualized attention successfully move them to graduate and prepare them for workforce, vocational, and college programs.
- **The Capri:** The recently expanded and renovated theater offers exceptional arts and technology programming for youth and community members. The theater provides affordable rental space, serves as a gathering place for community convening, and houses empowering youth programs like Camp Capri, Capri Apprentices, Capri After School Theater, and the Capri Best Buy Teen Tech Center.
- **Tech Center –** Youth explore and grow their tech skills and interests with hands-on activities that translate directly to highly desirable job skills. Youth are provided valuable, career-building experiences in areas such as coding and computer programming, 3D printing, Adobe Creative Suite, robotics and circuitry, and graphic design. With access to state-of-the-art technology and mentors from the tech field who share lived experiences with the students, the teens become better prepared for today's tech-reliant jobs.

##### *Strategic Goals:*

- **Innovative Models:** Develop innovative and intersectional models for arts and education programs.
- **Data Expertise:** Establish PCYC "impact and decision-making through data" by having systems to collect and analyze data across the organization and within programs.
- **People:** Attract, recruit, retain, and develop mission-driven staff and board.
- **Financial Sustainability + Infrastructure/Org Structure:** Achieve financial stability and develop organization structure and infrastructure to support mission and vision.

## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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#### 1. Description of the Organization and Summary of Significant Accounting Policies (Continued)

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##### Description of Organization (Continued)

##### *Key Results:*

In the 2023-2024 fiscal year, 27 K-5<sup>th</sup> grade scholars enrolled in Bright Futures Saturdays program. Scholars attended biweekly for academic enrichment, STEM, social-emotional learning (SEL), and both project-based and individual learning experiences. The program was supported by volunteers from the U of M Arboretum and community partners like the Fiber Arts Guild, which introduced intergenerational elders into the offerings. This collaboration enriched the learning environment, fostering a diverse and holistic educational experience.

PCYC partnered with the Children's Defense Fund to host the inaugural Bright Futures Summer Freedom School. This six-week program provides enrichment through a research-based and multicultural program model that supports scholars and their families through five essential components. PCYC focuses on high-quality academic and character-building enrichment, parent and family involvement, civic engagement and social action, intergenerational servant leadership development, nutrition, health, and mental health. In the first summer, PCYC had 34 scholars grades 1-5 participate in various activities such as reading, planting a summer garden, and learning self-expression through hip-hop and writing.

22 talented middle school-aged youth presented an inspiring performance of *Into the Woods, Jr.* The finale to PCYC's 5-week Summer Camp Capri program where youth learned to sing, dance act, paint and sculpt, was performing before two sold-out audiences totaling more than 400. Throughout the 2023-2024 school year, 108 youth participated in the monthly Third Saturday Camp Capri arts program.

The Capri Glee adult community choir program began with a group of 15 singers in 2015. The Capri produces two 6-week Capri Glee! sessions each year. Each session in 2023-2024 had more than 140 registrations and 80 participants singing at the weekly rehearsals. Both the fall and spring Capri Glee! Concerts were directed by J.D. Steele, with Fred Steele on keys and had more than 100 participants performing on stage.

PCYC served just over 160 unique students during the 2023-2024 school year of which 86% were juniors or seniors. 100% of grad-eligible seniors received their diplomas. The student body was comprised of 98% students of color and 95% qualified for educational benefits (free or reduced lunch). More than 25% met the federal government's definition of Homeless and Highly Mobile. This year PCYC has seen a sharp decline in fights and suspensions overall. PCYC is seeing increased numbers of students starting to participate in programming outside of the building and in afterschool opportunities, including groups and educational activities. PCYC has partnered with Hennepin County and have a therapist on site 4 days a week to address the mental health needs of students and partnered with other agencies to provide students with opportunities in both the arts and technology.

## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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#### 1. Description of the Organization and Summary of Significant Accounting Policies (Continued)

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##### Description of Organization (Continued)

This is the 2nd year PCYC has partnered with the University of MN and provided educational programming throughout the entire summer to a select group of students.

PCYC Arts & Tech High School has NorthPoint Health and Wellness Center on the school campus. Students are able to get their health care needs met and mental health services are also available.

PCYC's Best Buy Teen Tech Center at the Capri (CBBTTC) enrolled 160 students and provided access to state-of-the-art technology under the guidance of 3 PCYC staff, expert contractors, and mentors. Students explored their personal tech interests, strengthened STEM competencies, and developed career-building skills while creating individual and collaborative projects in areas including audio recording and production, coding and computer programming, photography and videography, 3D printing, Adobe Creative Suite, robotics and circuitry, and graphic design.

In addition to the ongoing curriculum, the Tech Center hosted drop-in, touch-and-explore events to peak students' interest in what the Tech Center offers. Including participant voice in programmatic decisions, over the past year the Tech Center has also engaged in drone immersion workshops, violence prevention roundtables, graphic design, music production, social justice conversations, International Day of the Girl, and community-wide STEM engagement and training events with Northside STEM.

CBBTTC's youth collective, Technify, performed as the opening act for Grammy award-winning artists The Chainsmokers at the Best Buy Charity Classic. They showcased their original song, "See Me," which was awarded the Judges' Selection at the Global Re@ch Media Festival. Members also completed Tech Connect, a 12-week paid internship program with training, professional development, and community engagement. As part of the program, interns provided tech support at local events and completed workshops using the NorthStar Digital Literacy curriculum, earning badges to recognize their skill acquisition.

Over the last fiscal year, 142 different organizations representing PCYC programming, partners and community members utilized the Capri for a total of 218 days. The broad spectrum of arts events included 26 music offering 14 theater or arts events, 57 films screened, 6 dance companies performed. Highlights for the year include the Mobile Jazz Project on the Plaza, a two-week residency by Ten Thousand Things, involvement in both MSPIFF and TCBBFF film festivals, and a developing partnership with DANCECO to bring their youth programming to North Minneapolis. In addition, PCYC spaces were used for shooting 2 music video, 5 gallery artists were displayed, 46 community or celebratory event and 25 meetings or conferences were hosted, and PCYC's doors were opened to the community for 11 civic offerings, including use as a Polling Station and Met Council Blue Line public conversations site

## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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#### 1. Description of the Organization and Summary of Significant Accounting Policies (Continued)

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##### Basis of Accounting and Support and Revenue Recognition

The Organization maintains their books and records on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).

For contracts that are within the scope of FASB ASC 606, *Revenue from Contracts with Customers*, the Organization performs the following five steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the Organization satisfies a performance obligation.

Revenue is measured based on consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Organization recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

For performance obligations related to the Organization's ticket and concessions revenue, control transfers to the customer and revenue is recognized at a point in time when the events occur and no additional performance obligations are required. Performance obligations related to Minneapolis Public Schools are completed throughout the fiscal year as benefits are consumed and transferred to the schools. The Organization's over time contracts are billed on a fixed price basis and revenue is recognized over time as the benefits are consumed. The payment terms and conditions in customer contracts require payments as performance obligations are completed, therefore the Organization does not have any significant financing components.

##### Basis of Presentation

Financial statement presentation follows FASB ASC 958, *Not-For-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities*. Under FASB ASC 958, the Organization is required to report information regarding its consolidated financial position and activities, based on the existence or absence of donor imposed restrictions as either:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets certain reserves.

## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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#### 1. Description of the Organization and Summary of Significant Accounting Policies (Continued)

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##### Basis of Presentation (Continued)

*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.

##### Cash and Cash Equivalents

The Organization considers all demand deposits and investments with an original maturity of three months or less to be cash and cash equivalents.

##### Restricted Cash

Restricted cash represents balances held by PCYC as required by a loan agreement.

##### Investments

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return is reported in the consolidated statements of activities and changes in net assets and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

##### Grants, Contracts and Pledges Receivable

Grants, contracts and pledges receivable are stated at the amount management expects to collect from balances outstanding at the end of the period. Based on management's assessment of the credit history with customers and donors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial. Therefore, no valuation allowance is maintained for these receivables. Balances that still outstanding after management has used reasonable collection efforts are written off. All receivables are expected to be collected within one year of the consolidated statement of financial position date.

##### Property and Equipment

Property and equipment are stated at cost if purchased or fair value at the date of donation and are being depreciated using the straight-line method over the estimated useful lives of the assets ranging from two to forty years. The Organization's policy is to capitalize and depreciate property and equipment purchased or obtained which has a cost in excess of \$2,500 and an estimated useful life of at least one year.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**1. Description of the Organization and Summary of Significant Accounting Policies (Continued)**

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Leases

When, at inception of an agreement, it is concluded an agreement includes a lease component, the Organization records an operating lease or finance lease based on the agreement. In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if they have obtained substantially all of the rights to the underlying asset through exclusivity, if they can direct the use of the asset by making decisions about how and what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

Operating leases are included in property and equipment as operating lease right-of-use (ROU) assets and current and long-term operating lease liabilities on the consolidated statements of financial position.

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. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The operating lease ROU asset also includes any lease payments made prior to the commencement date and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

In determining the discount rate used to measure the ROU asset and lease liability, the Organization has elected to use the risk-free rate based on information available at the commencement date for the lease term when determining the present value of lease payments.

In allocating consideration in the contract to the separate lease components and the non-lease components, the Organization uses the standalone prices of the lease and non-lease components. Observable standalone prices are used, if available. If the standalone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment.

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is nonreciprocal, does not contain a barrier that must be overcome, and there is no right of return of assets transferred or release of a promisor's obligation to transfer assets present.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

All other contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence and/or nature of any donor restrictions.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**1. Description of the Organization and Summary of Significant Accounting Policies (Continued)**

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Contributions (Continued)

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 consolidated statement of activities as net assets released from restrictions.

Donated Materials

Donated materials are recorded as contributions at the estimated fair value on the date received. The value of the contribution of materials is recognized as both revenue and an expense to the Organization. The Organization recognizes the fair value of contributed services received if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising Costs

The Organization expenses advertising costs as it incurs them. Advertising expense was \$11,603 and \$5,565 for the years ended June 30, 2024 and 2023, respectively.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As a result, the Organization generally does not pay federal income tax. Therefore, no provision or liability for federal income taxes has been included in the consolidated financial statements.

Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the consolidated financial statements or related disclosures.

The Organization's federal information returns are subject to examination by the IRS, generally for three years after they were filed.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**1. Description of the Organization and Summary of Significant Accounting Policies (Continued)**

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*Fair Value of Financial Instruments*

The carrying amount for substantially all assets and liabilities approximates fair value due to the immediate or short-term maturity of these financial instruments. The fair value of long-term debt and note receivable approximates carrying value because the terms are equivalent to borrowing rates currently available to the Organization for agreements with similar terms and maturities. See Note 4 for discussion of fair value regarding the Organization's investments.

*Use of Estimates*

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

*Concentration of Credit Risk*

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents, investments, and receivables. The Organization keeps its cash and cash equivalents and investments with high quality financial institutions. At times, balances maintained at these financial institutions may exceed the federally insured limit. The Organization had cash balance in excess of the federally insured limit of \$47,000 at June 30, 2024. There were no cash balance in excess as of June 30, 2023.

The Organization's investments are maintained in mutual funds and fixed income funds and are therefore subject to the inherent risk of investing in equity-based and debt-based securities and general market risk.

Management routinely assesses the financial strength of its customers and as a consequence, believes that receivables credit risk exposure is limited. See Note 14 for discussion of revenue concentrations.

*Reclassifications*

Certain reclassifications have been made to the 2023 consolidated financial statements to conform to the presentation in the 2024 consolidated financial statements. There were no changes to net assets as of June 30, 2024 and 2023.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**1. Description of the Organization and Summary of Significant Accounting Policies (Continued)**

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Subsequent Events

In preparing these consolidated financial statements, management has evaluated events and transactions for potential recognition or disclosure through September 27, 2024, the date the consolidated financial statements were available to be issued.

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**2. Liquidity and Availability**

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The following reflects the Organization's consolidated financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general use within one year of the consolidated statement of financial position date because of contractual, donor-imposed or board-imposed restrictions.

	<u>2024</u>	<u>2023</u>
Financial assets, end of year	<b>\$ 8,416,074</b>	\$ 8,689,862
Less those unavailable for general expenditure within one year due to:		
Note receivable	<b>7,511,800</b>	7,511,800
Designated by the board for reserves	-	589,032
Donor restricted endowment funds	<b>164,898</b>	164,898
Restricted by loan agreement	<b>50,000</b>	50,000
Restriction by donor for purpose	<b>83,016</b>	58,159
	<hr/>	<hr/>
Financial assets available to meet cash needs for general expenditures within one year	<b>\$ 606,360</b>	\$ 315,973

Financial assets are considered available for general expenditure if there are no restrictions limiting their use, or if the restriction will be achieved through general operations of the Organization within one year of the consolidated statement of financial position date.

As part of the Organization's liquidity management plan, financial assets are structured to be available as its general expenditures, liabilities and other obligations come due. The board of directors may from time to time direct that certain funds or specific sources of revenue be set aside for reserves. The Organization's board designated funds may be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside of typical operations.

## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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#### 3. Investments

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Investments, carried at fair value as determined on an open market, as of June 30, 2024 and 2023, consisted of the following:

	2024		2023	
	Cost	Market	Cost	Market
Money market funds	\$ 27,696	\$ 27,696	\$ 10,070	\$ 10,070
Mutual funds	28,023	39,569	125,148	135,854
Exchange traded funds	90,112	98,313	631,185	656,187
Fixed income	-	-	20,000	19,655
Total Investments	<u>\$ 145,831</u>	<u>\$ 165,578</u>	<u>\$ 786,403</u>	<u>\$ 821,766</u>

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#### 4. Fair Value Measurements

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Accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

**Level 1:** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

**Level 2:** Observable market-based inputs or unobservable inputs that are corroborated by market data. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3:** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

PLYMOUTH CHRISTIAN YOUTH CENTER

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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**4. Fair Value Measurements (Continued)**

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The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

**Money market funds:** Money market funds are reported at the fair value based on the quoted market price of the accounts or the accounts of similar assets by the Organization's brokerage firm.

**Mutual funds:** Mutual funds are reported at the fair value based on the quoted market price of the fund, as reported by the Organization's brokerage firm.

**Exchange traded funds:** Exchange traded funds are reported at the fair value based on the quoted market price of the fund, as reported by the Organization's brokerage firm.

**Fixed Income:** Fixed income funds are reported at the fair value based on the quoted market price of the fund, as reported by the Organization's brokerage firm.

The methods described above may produce fair values that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**4. Fair Value Measurements (Continued)**

The following tables reflect the Organization’s investments within the fair value hierarchy at June 30, 2024 and 2023:

	<b>As of June 30, 2024</b>			
	<b>Assets Measured at Fair Value</b>	<b>Fair Value Hierarchy Level</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Money market funds	\$ 27,694	\$ 27,694	\$ -	\$ -
Mutual funds	39,569	39,569	-	-
Exchange traded funds	98,313	98,313	-	-
<b>Total</b>	<b>\$ 165,576</b>	<b>\$ 165,576</b>	<b>\$ -</b>	<b>\$ -</b>

	<b>As of June 30, 2023</b>			
	<b>Assets Measured at Fair Value</b>	<b>Fair Value Hierarchy Level</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Money market funds	\$ 10,070	\$ 10,070	\$ -	\$ -
Mutual funds	135,854	135,854	-	-
Exchange traded funds	656,187	656,187	-	-
Fixed income	19,655	19,655	-	-
<b>Total</b>	<b>\$ 821,766</b>	<b>\$ 821,766</b>	<b>\$ -</b>	<b>\$ -</b>

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**5. Note Receivable**

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Note receivable as of June 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
1.00% Note receivable from Twain Investment, receivable in interest only payments until 2027, then quarterly principal and interest receipts of \$105,370 through April 2046	<u>\$ 7,511,800</u>	<u>\$ 7,511,800</u>

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**6. Property and Equipment**

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Property and equipment as of June 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Land	\$ 113,625	\$ 113,625
Building and building improvements	21,458,345	21,458,345
Furniture and equipment	327,145	327,145
Total	<u>21,899,115</u>	<u>21,899,115</u>
Less: Accumulated Depreciation	<u>7,498,175</u>	<u>6,867,917</u>
Property and equipment, net	<u>\$ 14,400,940</u>	<u>\$ 15,031,198</u>

Depreciation expense for the years ended June 30, 2024 and 2023 was \$630,258 and \$659,047, respectively.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**7. Long-Term Debt**

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Long-term debt at June 30, 2024 and 2023 consisted of the following:

PCYC:

	<b>2024</b>	2023
4.4% Mortgage payable; due in monthly principal and interest payments of \$8,830 through December 2026, secured by substantially all assets	<b>\$ 1,285,251</b>	\$ 1,332,559
5.5% Mortgage payable; due in monthly principal and interest payments of \$6,879 through December 2026, at which time a final principal payment is due; secured by substantially all assets	<b>925,824</b>	956,312
Non-interest bearing note payable; due in full on April 10, 2027 Note may be extended through October 2059, secured by substantially all assets	<b>700,000</b>	700,000
4.1% Note payable; paid in full during the year ended June 30, 2024	-	977,661

CREHC:

1.493% Mortgage from the MMCDC New Markets Fund LII, LLC; due in interest only payments quarterly through January 2027, then quarterly principal and interest payments of \$166,801 through October 2053, secured by land and building with a carrying value of \$10,439,053 as of June 30, 2024	<b>3,700,900</b>	3,700,900
1.493% Mortgage from the MMCDC New Markets Fund LII, LLC; due in interest only payments quarterly through January 2027, then quarterly principal and interest payments of \$68,692 through October 2053, secured by land and building with a carrying value of \$10,439,053 as of June 30, 2024	<b>1,579,100</b>	1,579,100

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**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

**7. Long-Term Debt (Continued)**

CREHC (Continued):

	<b>2024</b>	2023
1.493% Mortgage from Sunrise New Markets Fund XXXVII, due in interest only payments quarterly through January 2027, then quarterly principal and interest payments of \$171,759 through October 2053, secured by land and building with a carrying value of \$10,439,053 as of June 30, 2024	<b>3,810,900</b>	3,810,900
1.493% Mortgage from Sunrise New Markets Fund XXXVII, due in interest only payments quarterly through January 2027, then quarterly principal and interest payments of \$68,692 through October 2053, secured by land and building with a carrying value of \$10,439,053 as of June 30, 2024	<b>1,524,100</b>	1,524,100
Total Long-Term Debt	<b>13,526,075</b>	14,581,532
Less: Deferred financing fees	<b>11,874</b>	16,623
Less: Current Portion	<b>82,274</b>	77,796
Long-Term Debt, net of current portion	<b>\$ 13,431,927</b>	\$ 14,487,113

Maturities of long-term debt as of June 30, 2024 were as follows:

<u>Year Ending June 30,</u>	<u>Totals</u>
2025	\$ 82,274
2026	86,151
2027	2,957,051
2028	322,462
2029	327,303
Thereafter	9,750,834
Total	<b>\$ 13,526,075</b>

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**7. Long-Term Debt (Continued)**

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*New Markets Tax Credits*

New Markets Tax Credit Program financing arrangements have provided \$10,615,000 for renovation and expansion of the Capri Theater at Broadway Ave, which was constructed in 2020 and 2021. The arrangements provide federal tax incentives to the investing banks, in exchange for which Capri Real Estate Holdings, Co. anticipates forgiveness of a portion of the outstanding principal balance remaining at the end of the initial seven-year interest-only period.

In connection with the New Markets Tax Credit Program financing, the Organization, has a note receivable arrangement with an unrelated organization totaling \$7,511,880, bearing an interest rate of 1.00% over a thirty-year term. The repayment terms and the collateral on the note approximates the terms and the collateral of the New Markets Tax Credit notes payable. Capri Real Estate Holding, Co., anticipates purchasing the security interest in the unrelated organization in seven years.

In addition, Plymouth Christian Youth Center entered into a Lease/Use Agreement with Capri Real Estate Holding, Co. for use of the Capri Theater. The term of the lease is 24 years and 2 months with option to re-lease for an additional 10-years, through 2054 at market rates. Annual rents were \$178,000 for each of the years ended June 30, 2024 and 2023 and will increase to \$527,000 in 2027 for the remainder of the initial lease period. The revenues, expenses and related right of use asset and lease liability resulting from this lease agreement are eliminated upon consolidation.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**8. Net Assets**

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Board Designated

The Organization's board had designated net assets of \$589,032 as of June 30, 2023. During the year ended June 30, 2024 the Organization's board removed all designations.

Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Restricted for purpose:		
Scholarships	\$ -	\$ 58,159
Restricted for time:		
Future periods	<b>83,016</b>	25,476
Endowments, held in perpetuity	<b>164,898</b>	164,898
	<hr/>	<hr/>
Total Net Assets with Donor Restrictions	<b>\$ 247,914</b>	<b>\$ 248,533</b>

Net assets released from restriction through receipts of funds and/or through use of the funds for the donor-specified purpose for the years ended June 30, 2024 and 2023, totaled \$83,635 and \$156,236, respectively.

## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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#### 9. Retirement Plan

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The Organization maintains a 401k retirement plan under which eligible employees may defer a portion of their salaries. The Organization matches 25% of the first 4% of participant's deferral. The Organization contributed \$9,720 and \$12,574 to the plan for the years ended June 30, 2024 and 2023, respectively.

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#### 10. Commitments

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In January 2007, the Organization joined with four other non-profit organizations to form MACC Alliance, Inc. (also a non-profit) to deliver a shared solution for meeting the key administrative functions of finance, human resources and information technology. This partnership was formed to support the needs of all members with enhanced quality of administrative functions, reduced operating risk and controlled costs. The Organization has a long-term receivable from MACC Alliance in the amount of \$17,225 as of both June 30, 2024 and 2023. For the years ended June 30, 2024 and 2023 fees paid to the MACC alliance totaled \$263,487 and \$277,717, respectively.

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#### 11. Endowment Fund

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The Organization's endowment fund results from restricted contributions received for the fund.

The Organization's endowment consists of money market funds, mutual funds and exchange traded funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor imposed restrictions.

The Organization's Board of Directors has interpreted Minnesota's Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

## PLYMOUTH CHRISTIAN YOUTH CENTER

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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#### 11. Endowment Fund (Continued)

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In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund,
2. The purpose of the organization and the donor-restricted endowment fund,
3. General economic conditions,
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments,
6. Other resources of the organization,
7. The investment policies of the organization.

The Organization has adopted a balanced investment strategy for the endowment fund. The investments of the endowment fund are rebalanced by the investment manager, at the direction of the finance committee.

It is the policy of the Organization for earnings over the basis in the endowment of \$164,898 as of June 30, 2024 and 2023, to be available for unrestricted spending on normal operations.

From time to time, the fair value of assets associated with the endowment fund may fall below the level that the donor requires the Organization to retain as a balance for perpetual duration (underwater endowments). There were no underwater endowments as of June 30, 2024 or 2023.

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#### 12. Functional Expenses

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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. All expenses are allocated on the basis of estimates of time and effort.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**13. Revenue and Contract Balances**

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Revenue, disaggregated by timing of satisfaction of performance obligations, for the years ended June 30, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Performance obligations satisfied at a point in time	\$ 82,394	\$ 57,151
Performance obligations satisfied over time	<u>1,176,443</u>	<u>1,067,931</u>
Total	<u>\$ 1,258,837</u>	<u>\$ 1,125,082</u>

Revenue from performance obligations satisfied over time consists of Minneapolis Public Schools revenue. Revenue from performance obligations satisfied at a point in time consists of ticket and concessions revenue.

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**14. Concentrations**

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During the years ended June 30, 2024 and 2023 the Organization received approximately 25% and 24%, respectively, of total support and revenues from the Minneapolis Public Schools. If a significant reduction in the level of support were to occur from Minneapolis Public Schools it is reasonably possible that it may have a significant effect on the Organization's programs, activities and financial reporting.

In addition to the amounts above, the Organization receives significant government funding. The continuation of funding from governmental and other sources is contingent upon availability of funds and project performance. The funds are awarded annually based either upon receipt and approval of a program application or upon completion of a performance review. Management considers primary funding sources to be consistent in future periods and that performance requirements will continue to be satisfactorily met.

The Organization had contributions from different single donors totaling approximately \$1,000,000 and \$750,000 during the years ended June 30, 2024 and 2023, respectively. These amounts represents approximately 40% and 36% of total contributions in 2024 and 2023, respectively.

**PLYMOUTH CHRISTIAN YOUTH CENTER**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

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**15. In-Kind Contributions**

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The Organization's consolidated financial statements include the following in-kind contributions revenue and support and associated expense:

*Supplies* – The Organization received donated supplies, consisting of items used to reduce the costs of fundraising events. These items are recognized as in-kind contributions at fair value, with a corresponding expense as they are used. The Organization values these items at the face value or fair value on the date received depending on the nature of the item.

The Organization did not monetize any contributed non-financial assets and contributed non-financial assets did not have donor restrictions during the years ended June 30, 2024 and 2023.

In-kind contributions included in consolidated statement of activities and changes in net assets for the years ended June 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Miscellaneous		
Program Services - Youth & Family Programs	\$ 24,000	\$ -
Fundraising	-	18,511
	<hr/>	<hr/>
Total In-Kind Contributions and Related Expenses	<u>\$ 24,000</u>	<u>\$ 18,511</u>