

UNITED WAY OF GREATER NASHUA, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
United Way of Greater Nashua, Inc.
Nashua, New Hampshire

Opinion

We have audited the accompanying financial statements of United Way of Greater Nashua, Inc. (a not-for-profit New Hampshire organization) which comprise the statement of financial position as of September 30, 2024 and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Way of Greater Nashua, Inc. as of September 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) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Way of Greater Nashua, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Way of Greater Nashua, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

The 2023 financial statements of United Way of Greater Nashua, Inc. were audited by other auditors whose report dated April 17, 2024, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Rowley & Associates, P.C.

Rowley & Associates, P.C.
Concord, New Hampshire
June 6, 2025

UNITED WAY OF GREATER NASHUA, INC
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2024 and 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	\$ 285,493	\$ 215,104
Investments	-	153,750
Accounts Receivable	4,025	103,761
Employee Retention grant receivable	138,592	138,592
Pledges receivable, net allowance	3,691	40,464
Grant receivable	68,608	61,874
Prepaid expenses	22,537	13,710
Total Current Assets	<u>522,946</u>	<u>727,255</u>
OTHER ASSETS		
Other assets	-	3,430
Restricted cash and cash equivalents	3	477,578
Beneficial interest - NHCF	230,718	205,864
Property & equipment, net	293,700	317,370
Total Other Assets	<u>524,421</u>	<u>1,004,242</u>
Total Assets	<u><u>1,047,367</u></u>	<u><u>1,731,497</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Current portion of note payable	3,175	3,460
Accounts payable	48,816	78,429
Community Impact grants payable	89,038	94,875
Designations payable	15,769	18,612
Funds held for others	200	3,845
Due to fiscal agencies	63,592	2,154
Accrued expenses	35,480	37,804
Other liabilities	1,100	4,632
Total Current Liabilities	<u>257,170</u>	<u>243,811</u>

LONG-TERM LIABILITIES

Security deposits	5,250	5,150
Note payable, net of current portion	171,984	174,651
	<u>177,234</u>	<u>179,801</u>
Total Liabilities	<u>434,404</u>	<u>423,612</u>

NET ASSETS

Without donor restrictions		
Board designated	106,374	116,268
Undesignated	(392,139)	479,688
	<u>(285,765)</u>	<u>595,956</u>
With Donor Restrictions	898,728	711,929
Total Net Assets	<u>612,963</u>	<u>1,307,885</u>
Total Liabilities and Net Assets	<u><u>\$ 1,047,367</u></u>	<u><u>\$ 1,731,497</u></u>

See Notes to Financial Statements

UNITED WAY OF GREATER NASHUA, INC
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(With Comparative Totals for the Year Ended September 30, 2023)

	2024			2023
	Without Donor Restriction	With Donor Restriction	Totals	Total
Revenue and Support				
Campaign, net provision for uncollectible pledges	\$ 363,823	\$ 16,488	\$ 380,311	\$ 390,098
COVID-19 Fund	15,409	-	15,409	51,730
Total Campaign Revenue	379,232	16,488	395,720	441,828
Grant Income:				
Federal Drug Free Community	-	88,147	88,147	92,750
Microsoft Transportation grant	-	50,000	50,000	25,000
Learn United grant	-	30,229	30,229	-
Vita grant	-	25,000	25,000	200
CBDG grant	-	23,701	23,701	-
G UW grant	-	5,969	5,969	-
Preschool Development grant	-	-	-	127,360
EL GEER grant	-	-	-	518,898
Employee Retention grant	-	-	-	138,592
Other grants	17,240	-	17,240	4,645
Special Events:				
Over the Edge	78,017	122,614	200,631	193,950
Sleepout	15,712	-	15,712	77,446
Skydive United	38,352	-	38,352	43,697
Community fun run	-	-	-	21,792
Charitable gaming	117,525	-	117,525	70,438
Care-E-Oke	25,413	-	25,413	16,816
Other	6,821	7,011	13,832	18,463
Corporation sponsorships	90,282	-	90,282	77,410
Community services	25,868	-	25,868	18,495
Gifts, in-kind	21,860	-	21,860	26,307
Gifts, non-cash	86,000	-	86,000	1,000
Gain on beneficial interest	-	26,200	26,200	10,727
Interest income	28,032	-	28,032	20,207
Rental income	58,825	-	58,825	58,200
Other income	9,730	-	9,730	7,983
Fiscal agent revenue and support	-	869,933	869,933	462,506
Total Revenue and Support	998,909	1,265,292	2,264,201	2,474,710
Net assets released from restriction	1,078,493	(1,078,493)	-	-
EXPENSES				
Program services	1,996,510	-	1,996,510	2,315,578
Management and general	170,882	-	170,882	176,133
Fundraising	118,274	-	118,274	123,867
Total Expenses	2,285,666	-	2,285,666	2,615,578
Change in Net Assets	(208,264)	186,799	(21,465)	(140,868)
NET ASSETS - Beginning of Period	595,956	711,929	1,307,885	1,448,753
NET ASSETS - End of Period	\$ 387,692	\$ 898,728	\$ 1,286,420	\$ 1,307,885

See Notes to Financial Statements

UNITED WAY OF GREATER NASHUA, INC
STATEMENT OF FUNCTIONAL EXPENSE
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(With Comparative Totals for the Year Ended September 30, 2023)

	2024				2023
	Program Services	Management and General	Fundraising	Totals	Totals
Designation for other organizations	\$ 16,488	\$ -	\$ -	\$ 16,488	\$ 18,050
Community impact grants	364,325	-	-	364,325	379,500
Community Services:					
Over the Edge	165,147	-	-	165,147	153,873
Day of Caring	12,870	-	-	12,870	4,850
Sleepout	345	-	-	345	2,469
Federal Drug Free Community	88,147	-	-	88,147	92,750
Learn United expense	30,229	-	-	30,229	-
Fiscal Agencies	734,502	-	-	734,502	445,570
Santa Fund	7,011	-	-	7,011	16,315
Skydive United	7,181	-	-	7,181	7,594
COVID-19 expenditures and grants	20,507	-	-	20,507	22,418
Preschool development	-	-	-	-	273,841
El Geer	-	-	-	-	518,898
Community Fun Run	-	-	-	-	5,651
CDBG grant expense	23,701	-	-	23,701	-
Microsoft digital equity expense	40,151	-	-	40,151	-
Other community service expenses	88,633	-	-	88,633	52,935
Payroll, payroll taxes and benefits	172,267	57,422	57,422	287,111	297,561
Gifts in kind	10,930	6,558	4,372	21,860	27,307
Donated supplies	86,000	-	-	86,000	-
Professional services	73,828	44,297	29,531	147,656	149,788
Dues	19,220	3,604	1,202	24,026	22,661
Supplies and expenses	5,558	5,558	11,117	22,233	26,492
Insurance	3,963	5,662	1,698	11,323	10,431
Occupancy	11,676	28,022	7,005	46,703	49,424
Depreciation	8,285	11,835	3,550	23,670	23,973
Bank fees	5,546	7,924	2,377	15,847	13,227
Total Expenses	<u>\$ 1,996,510</u>	<u>\$ 170,882</u>	<u>\$ 118,274</u>	<u>\$ 2,285,666</u>	<u>\$ 2,615,578</u>

See Notes to Financial Statements

UNITED WAY OF GREATER NASHUA, INC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(With Comparative Totals for the Year Ended September 30, 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (21,465)	\$ (140,868)
Adjustments to reconcile change in net assets to net cash flows operating activities:		
Depreciation	23,670	23,973
Loss on disposal of fixed assets	-	663
Change in beneficial interest	(24,854)	(9,364)
(Increase) Decrease in operating assets, net:		
Pledges receivable, net	36,773	22,070
Accounts receivable	99,736	(100,261)
Employee retention grant receivable	-	(138,592)
Grant receivable	(6,734)	(690)
Prepaid Expenses	(8,827)	11,127
Other assets	3,430	(133)
Increase (Decrease) in operating liabilities, net:		
Accounts payable	(29,613)	(63,774)
Community impact grants payable	(5,837)	1,875
Designations payable	(2,843)	888
Funds held for others	(3,645)	(425)
Due to fiscal agencies	61,438	2,154
Accrued expenses	(2,324)	(9,735)
Security deposits	100	-
Other liabilities	(3,532)	1,156
Net cash flows provided (used) by operating activities	<u>115,473</u>	<u>(399,936)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	-	(6,192)
Net sale (purchase) of investments	153,750	(153,750)
Net cash flows provided (used) by investing activities	<u>153,750</u>	<u>(159,942)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net payments on principle of long-term debt	<u>(2,952)</u>	<u>(4,911)</u>
CHANGE IN TOTAL CASH AND CASH EQUIVALENTS	266,271	(564,789)
TOTAL CASH AND CASH EQUIVALENTS, beginning of year	692,682	1,257,471
TOTAL CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 958,953</u></u>	<u><u>\$ 692,682</u></u>
RECONCILIATION OF TOTAL CASH AND CASH EQUIVALNTS:		
Cash and cash equivalents without restriction	\$ 285,493	\$ 215,104
Restricted cash and cash equivalents	673,460	477,578
Total cash and cash equivalalent shown in the statement of cash flows	<u><u>\$ 958,953</u></u>	<u><u>\$ 692,682</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	<u>\$ 11,214</u>	<u>\$ 9,250</u>
In-kind donations received	<u>\$ 21,860</u>	<u>\$ 26,307</u>
Non-cash donations received	<u><u>\$ 86,000</u></u>	<u><u>\$ 1,000</u></u>

See Notes to Financial Statements

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

NOTE 1 NATURE OF ACTIVITIES

United Way of Greater Nashua, Inc. (the Organization) is a New Hampshire nonprofit organization managed through the efforts of both a professional and volunteer staff to provide financial support to local human services programs. The Organization relies on the financial support of the local population in order to meet its financial distributions to local member agencies. The Organization benefits from the efforts of over 800 volunteers that donate approximately 5,000 hours annually to the Organization, allowing them to provide important programs to the community. As per the terms of the respective agreements, some additional activities are performed by the Organization on behalf of other agencies.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following is a summary of significant accounting policies of the Organization used in preparing and presenting the accompanying financial statements.

Accounting for contributions and financial statement presentation - The Organization follows *Accounting for Contributions Received and Contributions Made and Financial Statements of Not-for-Profit Organizations as required by the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC)*. Under these guidelines, the Organization is required to distinguish between contributions that increase net assets without donor restrictions and net assets with donor restrictions. It also requires recognition of contributions, including contributed services meeting certain criteria, at fair values. These reporting standards establish standards for financial statements of not-for-profit organizations and require a Statement of Financial Position, a Statement of Activities, a Statement of Functional Expenses and a Statement of Cash Flows.

Basis of accounting - The Organization presents its financial statements in accordance with *Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958 Not-For-Profit Entities*. The accompanying financial statements have been prepared on the accrual basis of accounting. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Non-cash contributions are recorded at fair market value on the date of donation. Income earned on net assets, including net realized appreciation on investments, is reflected as a change in net assets without donor restrictions or net assets with donor restrictions in accordance with donor stipulations.

Amounts related to the Organization's financial position and activities are reported in two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor or certain grantor restrictions.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions. Donor-imposed restrictions are released when a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished. When a donor restriction expires the net assets are reclassified as net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board-approved spending policy. The Organization follows a similar policy for investment return on these funds.

Cash and cash equivalents - For the purpose of reporting cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of six months or less to be cash equivalents.

Investments – Investments represent certificates of deposit with initial maturities of six to twelve months.

Restricted cash and cash equivalents – Amounts included in restricted cash represent funds held by the United Way of Greater Nashua in their capacity as the fiscal agent for several small not for profit organizations (Note 12). These restrictions will lapse when the organizations appropriate the funds for expenditure.

Restricted cash balances as of September 30 were comprised of the following:

	<u>2024</u>	<u>2023</u>
Fiscal agencies	\$ 589,413	\$ 362,530
Digital equity funds	34,762	24,913
Preschool development grant	11,336	18,163
Other	37,949	71,972
	<u>\$ 673,460</u>	<u>\$ 477,578</u>

In addition, there were \$106,374 in board designated funds held in cash at September 30, 2024.

Allowance for doubtful accounts - The Organization utilizes the allowance method to provide for uncollectible pledges. The adequacy of the allowance for doubtful accounts for pledges receivables is reviewed on an ongoing basis by the Organization's management and adjusted as required through the provision for uncollectible pledges (bad debt expense). Management estimates the allowance based on experience with prior year campaign collections.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

Property and equipment - Property and equipment is recorded at cost or, if donated, at estimated fair market value at the date of donation. Major additions and improvements are capitalized, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets. Assets not in service are not depreciated. No depreciation is charged on land owned.

Conditions which might impact the fair market value of the assets are reviewed from time to time to assess the need to record any impairment to the value of the assets. No impairment allowance has been recognized during the current or prior year.

Functional expenses - The costs of providing the various program and supporting services have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Expenses are charged to programs and supporting services on the basis of periodic expense reviews and management estimates. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Donations in-kind – Contributions of nonfinancial assets and materials are recorded as contributions at their estimated fair values at the date of donation. Contributions of services are recognized when they are received if the services (a) create or enhance nonfinancial assets or (b) required specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. The Organization pays for most services requiring specific expertise. However, some individuals may volunteer their time and perform a variety of tasks that assist the Organization with specific programs and various committee assignments. The Organization received contributions of nonfinancial assets totaling \$21,860 and \$26,307 for the years ended September 30, 2024 and 2023, respectively.

Use of estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Program revenue – Revenues from program fees are recognized over time in the period in which the fees are earned. Deferred revenue results from fees received in advance of the period in which they were earned.

Advertising Costs - The Organization follows the policy of charging the production costs of advertising to expense as incurred. Advertising expense at September 30, 2024 and 2023 was \$4,163 and \$2,940 respectively.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

Contributions and grant revenues – Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present: (1) An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized (2) An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met. Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award. Grant awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability. Grant awards that are exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. There were no grants or awards that were considered exchange transactions during the years ended September 30, 2024 and 2023.

Income tax status – The Organization is exempt from Federal and State income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). Though the Organization is exempt from income tax, it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Internal Revenue Code. The Organization has calculated an income tax provision that is immaterial for financial statement purposes, and has evaluated its significant tax positions, including their tax-exempt status, and determined that they do not need to recognize a liability for any uncertain tax positions for interest, penalties or potential taxes. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status, identify and report unrelated income, determine its filing and tax obligations in jurisdictions for which it has nexus, and identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Compensated Absences - Employees of the Organization are entitled to paid vacation depending on job classification, length of services, and other factors. The statement of financial position reflects accrued vacation earned, but unpaid as of September 30, 2024 and 2023 in the amounts of \$8,407 and \$11,134, respectively.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

Operating leases – Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made or received under the operating leases are charged or recognized in the Statement of Activities on a straight-line basis over the period of the lease.

The Organization recognizes ASU 2016-02, Leases (Topic 842). A lessee is required to recognize assets and liabilities for leases with lease terms of more than twelve months. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily depends on its classification as a finance or operating lease. The ASU requires both types of leases to be recognized on the statement of financial position.

For leases with term of less than twelve months, the Organization will elect the short-term lease recognition exemption for all applicable classes of underlying assets.

Comparative Financial Information -The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2023, from which the summarized information was derived.

Reclassification: Certain 2023 amounts have been reclassified for conform to 2024 classification. These reclassifications had no effect on the increase in net assets for 2023.

Subsequent Event -Management has evaluated subsequent events through June 6, 2025, the date on which the financial statements were available to be issued to determine if any are of such significance to require disclosure. It has been determined that no other subsequent events matching this criterion occurred during this period.

NOTE 3 CONCENTRATION OF CREDIT RISK:

Financial instruments that potentially subject the Organization to concentrations of credit risk consist primarily of cash and cash equivalents. The Organization places its cash and cash equivalents with high credit quality financial institutions. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk. During the fiscal year ended September 30, 2024, the Organization established a sweep account with their primary bank which diversifies their cash holdings among other participating FDIC insured banks, ensuring that their deposits do not exceed the \$250,000 federally insured limit.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

NOTE 4 LIQUIDITY:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, comprise the following as of September 30:

	<u>2024</u>	<u>2023</u>
Financial assets:		
Cash and cash equivalents	\$ 179,119	\$ 215,104
Investments	-	153,750
Accounts receivable	142,617	242,353
Pledges receivable, net allowance	3,691	40,464
Grants receivable	68,608	61,874
Total financial assets available within one year	<u>\$ 394,035</u>	<u>\$ 713,545</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To manage liquidity and monitor the availability of resources to meet these operating needs, the Organization produces an annual budget which outlines the anticipated financial needs to maintain the Organization within the next fiscal year. The budget is analyzed and compared to actual results throughout the year to manage current cash flow needs.

NOTE 5 PLEDGES RECEIVABLE, NET:

Pledges receivable consisted of the following as of September 30:

	<u>2024</u>	<u>2023</u>
Pledges receivable:		
Current year campaign	\$ 17,060	\$ 41,900
Prior years campaigns	-	50,063
	<u>17,060</u>	<u>91,963</u>
Less: allowance for uncollectible pledges	<u>(13,369)</u>	<u>(51,499)</u>
Total	<u>\$ 3,691</u>	<u>\$ 40,464</u>

NOTE 6 DESIGNATED FUND:

United Way of Greater Nashua, Inc. is the beneficiary of the Nashua Fire Relief Fund. The Fund is held and administered by the U.S. Trust Company. Distributions of \$8,069 and \$8,071 were received for the years ended September 30, 2024 and 2023, respectively. The market value of the fund was approximately \$195,000 for the year ended September 30, 2024.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

NOTE 7 BENEFICIAL INTEREST:

United Way of Greater Nashua, Inc. has a beneficial interest in a fund at the New Hampshire Charitable Foundation (NHCF).

Pursuant to the terms of the resolution establishing the fund with NHCF, property contributed to the foundation is held as a separate fund designated for the benefit of United Way of Greater Nashua, Inc. In accordance with its spending policy NHCF makes distributions from the fund to United Way of Greater Nashua, Inc. The annual distributions allowable from the fund are based on five percent of a twenty-quarter moving average of the fund's market value. The funds are included in net assets with donor restrictions. The activity in the beneficial interest in assets held by the charitable foundation was:

	<u>2024</u>	<u>2023</u>
Fair Market Value, Beginning of Year	\$ 205,864	\$ 196,505
Contributions	-	-
Net investment return	26,200	10,727
Investment fees	(1,346)	(1,368)
Fair Market Value, End of Year	<u>\$ 230,718</u>	<u>\$ 205,864</u>

Distributions from the fund was \$7,767 for the year ended September 30, 2024.

NOTE 8 PROPERTY AND EQUIPMENT, NET:

The following is a summary of property and equipment as of September 30:

	<u>2024</u>	<u>2023</u>
Building and land	\$ 502,500	\$ 502,500
Building improvements	242,546	242,546
Furniture, fixtures and equipment	72,274	72,274
Total	817,320	817,320
Less: accumulated depreciation	(523,620)	(499,950)
Property and equipment, net	<u>\$ 293,700</u>	<u>\$ 317,370</u>

Depreciation expense for the years ended September 30, 2024 and 2023 was \$23,670 and \$23,973, respectively.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

NOTE 9 COMMUNITY IMPACT GRANTS PAYABLE:

United Way of Greater Nashua, Inc. had total community impact grants payable in the amounts of \$89,038 and \$94,875, as of September 30, 2024 and 2023, respectively. These funds are subject to the Organization's ability to collect the total funds pledged.

NOTE 10 LONG-TERM DEBT:

The Organization has a note payable to a bank, payable in monthly installments of \$1,180, including interest. The interest rate is based on the FHLB 5 Year Classic Advance Rate plus 2.00%, currently at 6.24%, adjusted every five years, never dropping below 4.50%. Monthly payments are to be made through June 2028, with a final balloon payment due upon maturity. The note is secured by land and the building, and all rents received on the real property.

The balance of the note as of September 30, 2024 and 2023 was \$175,159 and \$178,111, respectively. The following is a summary of future principal payments as of September 30:

2025 (Current portion)	\$ 3,175
2026	3,542
2027	3,771
2028	164,671
Total	<u>\$ 175,159</u>

NOTE 11 NET ASSETS WITH BOARD DESIGNATIONS:

The Organization has net assets designated for future needs. Those funds are comprised of the followings as of September 30:

	<u>2024</u>	<u>2023</u>
Slattery Memorial Fund	\$ 37,378	\$ 37,174
Youth Homelessness Fund	68,996	79,094
Total	<u>\$ 106,374</u>	<u>\$ 116,268</u>

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS:

The Organization holds net assets with donor restrictions. Net assets with donor restrictions are comprised of the following at September 30, 2024:

	<u>2024</u>	<u>2023</u>
Subject to expenditures for specified purpose:		
Fiscal Agencies	\$ 589,413	\$ 390,595
New Hampshire Charitable Foundation	230,718	205,864
VITA program	25,451	-
Other programs	7,048	97,307
Transportation grant	34,762	-
Preschool development	11,336	18,163
Total net assets with donor restrictions	<u>\$ 898,728</u>	<u>\$ 711,929</u>

Net assets released from restriction were as follows for the year ended September 30:

	<u>2024</u>	<u>2023</u>
Fiscal agencies	\$ 734,502	\$ 428,343
Grants	55,802	910,818
Designations to others	288,189	146,263
Total net assets released from restrictions	<u>\$ 1,078,493</u>	<u>\$ 1,485,424</u>

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

NOTE 13 FAIR VALUES OF FINANCIAL INSTRUMENTS:

The Organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1. Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.
- Level 2. Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets in markets that are not active;
 - Observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
 - Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The estimated fair value of the Organization's financial instruments is presented in the following table at September 30:

<u>2024</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Beneficial interest	<u>\$ 230,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230,718</u>
 <u>2023</u>				
Investments	<u>\$ 153,750</u>	<u>\$ 153,750</u>	<u>\$ -</u>	<u>\$ -</u>
Beneficial interest	<u>\$ 205,864</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230,718</u>

The beneficial trust interest is reported at the fair value of the underlying assets held by the New Hampshire Charitable Foundation, which approximates the present value of the estimated expected future cash flows at September 30, 2024 and 2023.

Investments represent certificates of deposit. The carrying amounts of the certificates of deposit approximate fair value because of the short maturity of those financial instruments.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

NOTE 14 GIFTS IN-KIND AND NON-CASH:

For the years ended September 30, 2024 and 2023, contributed nonfinancial assets recognized within the Statement of Activities consisted of the following:

	<u>2024</u>	<u>2023</u>
In-Kind Gifts:		
Professional services	<u>\$ 21,860</u>	<u>\$ 26,307</u>
Non-Cash Gifts:		
Mattresses	40,000	-
Commercial freezers	46,000	-
Other goods	<u>-</u>	<u>1,000</u>
Total	<u>\$ 86,000</u>	<u>\$ 1,000</u>

The Organization recognizes contributed nonfinancial assets within revenue, including school laptops, professional services, a vehicle, and other goods. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed professional services recognized comprise of services from landscapers, cleaning services, information technology, and other services related to events put on by the Organization in the fiscal years ended September 30, 2024 and 2023. Contributed professional services are valued and are reported at the estimated fair market value in the financial statements based on the current rates for similar services.

Contributed mattresses and commercial freezers were given to other nonprofit organizations. The Organization estimated the fair market value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.

NOTE 15 CONTRACTED SERVICES:

The Organization entered into a service level agreement with an accounting firm on May 26, 2017. This is a yearly contract that is renewed every twelve months in October and can be terminated by either party with 30 days written notice, or for cause.

During the years ended September 30, 2024 and 2023, the Organization was provided management support services including but not limited to bookkeeping and maintaining financial records.

During the years ended September 30, 2024 and 2023, the Organization has incurred expenses of \$81,535 and \$98,338, respectively, on the above-mentioned management support services.

UNITED WAY OF GREATER NASHUA, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2024

NOTE 16 LEASE OF BUILDING:

The Organization rents separate offices within their building to other local businesses, representing 56% of the total building area. Initial lease terms vary, with all current leases being renewed on a month-to-month basis. Total rental income for the years ended September 30, 2024 and 2023 was \$58,825 and \$58,200, respectively.

Depreciation expense for assets subject to operating leases is calculated on the straight-line method over the asset's estimated useful life (Note 2). Depreciation expense relating to these assets held was \$17,788 and \$18,418 for the years ended September 30, 2024 and 2023, respectively.

The cost and accumulated depreciation of the building being leased at September 30:

	<u>2024</u>	<u>2023</u>
Land	\$ 108,788	\$ 108,788
Building	393,712	393,712
Building improvements	<u>242,546</u>	<u>242,546</u>
Total cost	745,046	745,046
Less: accumulated depreciation	<u>(466,772)</u>	<u>(448,984)</u>
Net book value of building	<u>\$ 278,274</u>	<u>\$ 296,062</u>

NOTE 17 RELATED PARTY TRANSACTIONS:

There were transactions for program services totaling \$54,978 with businesses or individuals related to current board members and management for the year ended September 30, 2023. Payroll-related expenses of \$54,574 and miscellaneous program expenses of \$404 were the transactions that occurred between the Organization and related parties.