Boys & Girls Clubs of Topeka

Financial Statements
As of December 31, 2025 and 2024
and For the Years Then Ended

With Report by Independent Auditors

Shipley & Williams
CPAs, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Boys & Girls Clubs of Topeka

Report on Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Boys & Girls Clubs of Topeka (the Organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the 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 the Organization'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 the Organization'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.

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Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2026, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Shipley & Williams CPAs, LLC
Topeka, Kansas
August 25, 2026

Boys & Girls Clubs of Topeka
Topeka, Kansas
Statements of Financial Position
December 31,

ASSETS

	2025	2024
Current Assets		
Cash and cash equivalents	$ 2,584,611	$ 3,140,765
Grants receivable	272,168	186,197
Prepaid expenses	80,125	155,136
Total Current Assets	2,936,904	3,482,098
Property and Equipment		
Land, property and equipment, at cost, net	2,172,568	1,678,538
Other Assets		
Beneficial interest in perpetual trusts	7,765,643	7,111,276
Total Assets	$ 12,875,115	$ 12,271,912

LIABILITIES AND NET ASSETS

	2025	2024
Current Liabilities		
Accounts payable	$ 50,495	$ 158,183
Accrued payroll	117,640	89,351
Accrued compensated absences	41,507	39,094
Refundable advances	71,922	482,746
Total Current Liabilities	281,564	769,374
Net Assets		
Without donor restrictions	4,026,067	4,391,262
With donor restrictions	8,567,484	7,111,276
Total Net Assets	12,593,551	11,502,538
Total Liabilities and Net Assets	$ 12,875,115	$ 12,271,912

Boys & Girls Clubs of Topeka
Topeka, Kansas
Statements of Activities
For the Years Ended December 31,

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Contributions	$ 1,010,668	$ 801,841	$ 1,812,509	$ 1,035,609	$ -	$ 1,035,609
Grants	1,198,586	-	1,198,586	1,400,867	-	1,400,867
Change in value of beneficial interest in perpetual trusts	-	654,367	654,367	-	498,082	498,082
Investment income (loss), net	981	-	981	(19)	-	(19)
Membership dues	869,662	-	869,662	850,499	-	850,499
In-kind goods and services	35,499	-	35,499	41,738	-	41,738
Miscellaneous	85,040	-	85,040	-	-	-
Total Support and Revenue	3,200,436	1,456,208	4,656,644	3,328,694	498,082	3,826,776
Expenses						
Program services	2,376,535	-	2,376,535	1,998,168	-	1,998,168
Management and general	914,904	-	914,904	893,095	-	893,095
Fundraising	274,192	-	274,192	281,789	-	281,789
Total Expenses	3,565,631	-	3,565,631	3,173,052	-	3,173,052
Change in Net Assets	(365,195)	1,456,208	1,091,013	155,642	498,082	653,724
Net Assets, Beginning of Year	4,391,262	7,111,276	11,502,538	4,235,620	6,613,194	10,848,814
Net Assets, End of Year	$ 4,026,067	$ 8,567,484	$ 12,593,551	$ 4,391,262	$ 7,111,276	$ 11,502,538

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

Boys & Girls Clubs of Topeka
Topeka, Kansas
Statement of Functional Expenses
For the Year Ended December 31, 2025

	Program Services	Management and General	Fundraising	Total
Expenses				
Salaries and related expenses	$ 1,845,803	$ 95,785	$ 141,123	$ 2,082,711
Professional fees and contract services	35,851	444,911	56,809	537,571
Nonpersonnel operating expenses	266,013	71,970	9,960	347,943
Development expenses	412	8,382	61,273	70,067
Building and grounds	164,649	113,173	1,757	279,579
Insurance	2,056	34,273	53	36,382
Travel and transportation	32,867	2,277	-	35,144
Conferences	16,340	11,423	256	28,019
Depreciation	-	129,936	-	129,936
Miscellaneous	12,544	2,774	2,961	18,279
Total Expenses	$ 2,376,535	$ 914,904	$ 274,192	$ 3,565,631

Boys & Girls Clubs of Topeka
Topeka, Kansas
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Expenses				
Salaries and related expenses	$ 1,451,354	$ 444,701	$ 203,738	$ 2,099,793
Professional fees and contract services	128,202	150,131	57,970	336,303
Program expense	163,133	11,456	2,032	176,621
Building and grounds	139,859	45,934	10,962	196,755
Insurance	-	80,841	-	80,841
Travel	65,130	3,790	2,593	71,513
Conferences	-	5,000	3,568	8,568
Depreciation	-	123,565	-	123,565
Miscellaneous	50,490	27,677	926	79,093
Total Expenses	$ 1,998,168	$ 893,095	$ 281,789	$ 3,173,052

Boys & Girls Clubs of Topeka
Topeka, Kansas
Statements of Cash Flows
For the Years Ended December 31,

	2025	2024
Cash Flows from Operating Activities		
Change in net assets	$ 1,091,013	$ 653,724
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	129,936	123,565
Change in beneficial interest in perpetual trusts	(654,367)	(498,082)
Changes in assets and liabilities:		
Grants receivable	(85,971)	302,558
Prepaid expenses	75,011	(39,357)
Accounts payable	(107,688)	86,032
Accrued payroll	28,289	19,691
Accrued compensated absences	2,413	8,373
Refundable advances	(410,824)	(141,787)
Other current liabilities	-	(124)
Net Cash Provided by Operating Activities	67,812	514,593
Cash Flows from Investing Activities		
Purchase of property and equipment	(623,966)	(221,013)
Net Cash Used in Investing Activities	(623,966)	(221,013)
Increase (Decrease) in Cash and Cash Equivalents	(556,154)	293,580
Cash and Cash Equivalents, Beginning of Year	3,140,765	2,847,185
Cash and Cash Equivalents, End of Year	$ 2,584,611	$ 3,140,765

Boys & Girls Clubs of Topeka
Topeka, Kansas

Notes to the Financial Statements
December 31, 2025 and 2024

Note 1 – Summary of Significant Accounting Policies

A. Nature of Activities

The Boys & Girls Clubs of Topeka (the Organization) was established in 1956 to address the critical needs of the youth in the Topeka community living in poverty. The mission of the Organization is to enable all young people, especially those who need us most, to reach their full potential as productive, caring and responsible citizens. The Organization nurtures young people's self-esteem by instilling in them a sense of belonging, usefulness, influence and competence. Positive youth development is achieved through the provision of a safe, positive environment, fun supportive relationships, recognition, opportunities and expectations. The Organization concentrates on three core youth outcome areas of Academic Success: members progress to the next grade level on time and graduate with a plan, Good Character & Citizenship: members are civically engaged and balance self-concern with concern for others and Healthy Lifestyles: empowering youth to make healthful choices.

B. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) and the provisions of the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not-for-Profit Organizations (the Guide).

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization generally considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Note 1 – Summary of Significant Accounting Policies (continued)

E. Grants Receivable and Credit Policies

Grants receivable consist primarily of noninterest-bearing amounts due from federal and state agencies under contracted award agreements. Credit risk associated with grants receivable are considered to be limited due to high historical collection rates and because the outstanding amounts are due from governmental agencies supportive of the Organization's mission. At December 31, 2025 and 2024, an allowance was not reserved against grants receivable as each account was estimated to be fully collectable.

F. Investments

Investments received by the Organization by gift, bequest or devise are stated at their fair value as of the date of receipt. Fair value is determined by appraisal, quoted market, etc. At year-end, investments are stated at fair market value. Interest and dividends on investment securities are included in income when earned. Investment securities are exposed to various risks, such as interest rate, market fluctuation and credit risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in risks in the near term would materially affect investments and the amounts reported in the statements of financial position.

The Organization has an endowed fund (the Fund) at the Topeka Community Foundation (the Foundation). The Foundation holds and invests the funds on behalf of the Organization. The resources held in these funds are invested in money market accounts, equity income funds, fixed income funds, real asset funds, and strategic income & absolute return funds. The fund enables third party donors to contribute monies directly to the Foundation for the benefit of the Organization. The endowed funds are not recorded on the Organization's financial statements as these funds are not contributions to the Organization until the funds are requested and received by the Organization based on the Foundation's investment and distribution policies. The cost and fair market value of the fund was $10,000 and $9,682 at December 31, 2024, respectively. The cost and fair market value of the fund was $10,000 and $10,890 at December 31, 2025, respectively.

G. Property and Equipment

The Organization capitalizes property and equipment over $5,000. Lesser amounts are expensed. Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Property and equipment are depreciated using the straight-line method over estimated useful lives as follows:

Building	40 years
Leasehold improvement	5-40 years
Furniture and equipment	5-10 years
Transportation vehicles	5-7 years

Note 1 – Summary of Significant Accounting Policies (continued)

G. Property and Equipment (continued)
When assets are sold or otherwise disposed of, the cost and related depreciation is removed from the accounts, and any resulting gain or loss is included in the statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended December 31, 2025 and 2024.

H. Income Taxes
The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code, is exempt from federal income taxes pursuant to Section 501(a) of the Code and has been classified as other than a private foundation. The Organization's policy is to evaluate uncertain tax positions annually. Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements. Forms 990 and 990-T filed by the Organization are subject to examination by the Internal Revenue Service (IRS) up to three years from the extended due date of each return. The Organization is no longer subject to tax examinations by tax authorities for Forms 990, Return of Organization Exempt from Income Tax, for fiscal years before 2022.

I. Revenue Recognition – Public Support
Public support is primarily derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

J. Functional Expenses
The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated are allocated based on time and effort as determined by the Organization.

Note 1 – Summary of Significant Accounting Policies (continued)

K. In-Kind Contributions
Contributed nonfinancial assets include donated repairs and maintenance services. The Organization does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

Note 2 – Concentration of Financial Risk
The Organization maintains cash and short-term investment certificates of deposits at two financial institutions. At December 31, 2025 and 2024, the Organization's deposits were insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

Note 3 – Fair Value Measurement
Financial reporting standards establish a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The asset 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Furthermore, although the Organization believes its valuation methodologies 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.

The three levels are defined as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

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

Note 3 – Fair Value Measurement (continued)
The following hierarchy table presents information about the Organization's assets measured at fair value as of December 31, 2025:

		Fair Value Measurements at Reporting Date		
	Fair Value	Level 1	Level 2	Level 3
Beneficial interest in perpetual trusts	$ 7,765,643	$ -	$ -	$ 7,765,643
Total	$ 7,765,643	$ -	$ -	$ 7,765,643

The following hierarchy table presents information about the Organization's assets measured at fair value as of December 31, 2024:

		Fair Value Measurements at Reporting Date		
	Fair Value	Level 1	Level 2	Level 3
Beneficial interest in perpetual trusts	$ 7,111,276	$ -	$ -	$ 7,111,276
Total	$ 7,111,276	$ -	$ -	$ 7,111,276

There were no transfers of assets or liabilities between levels 1, 2, or 3 of the fair value hierarchy during the years ended December 31, 2025 and 2024.

The following is a reconciliation of the Organization's assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31:

	2025	2024
Balance - beginning of the year	$ 7,111,276	$ 6,613,194
Change in value of beneficial interest in trusts	654,367	498,082
Balance - end of the year	$ 7,765,643	$ 7,111,276

The fair value of the beneficial interests in perpetual trusts is determined based on the Organization's stated percentage interest in the fair value of the underlying trust assets as reported by the third-party trustees. Because the Organization does not control the underlying assets and cannot redeem its interests, the measurements are classified within Level 3 of the fair-value hierarchy.

Note 4 – Property and Equipment

A summary of the accounts and related accumulated depreciation at December 31 is as follows:

	2025		2024	
	Cost	Accumulated depreciation	Cost	Accumulated depreciation
Land	$ 517,072	$ -	$ 517,072	$ -
Building and improvements	1,907,245	1,474,493	1,907,245	1,426,919
Furniture and equipment	666,065	224,824	567,172	156,020
Transportation vehicles	175,904	118,286	175,904	104,729
Construction in progress	723,885	-	198,813	-
Total	$ 3,990,171	$ 1,817,603	$ 3,366,206	$ 1,687,668

Note 5 – Refundable Advances

The Organization has been awarded grants from various local, state and federal agencies and organizations. The grants are recognized as the required services are performed, and expenses are recognized as incurred. Grant activity for the years ended December 31, 2025 and 2024, was as follows:

	2025	2024
Refundable advances, beginning of year	$ 482,746	$ 624,533
Grant receipts	787,762	1,259,080
Grant expenditures	(1,198,586)	(1,400,867)
Refundable advances, end of year	$ 71,922	$ 482,746

Note 6 – Net Assets with Donor Restrictions

Beneficial Interests

The Organization has been previously named a 5% beneficiary in the earnings from the assets in the Lewis P Humphrey's Trust, an irrevocable trust held by an unrelated third party. Additionally, the Organization has been named a 20% beneficiary in the earnings from the assets in the Ethel S Dyatt irrevocable trust and an additional Lewis P Humphrey's trust, also held by unrelated third parties.

The Organization will receive earnings from the trusts into perpetuity. Net assets with donor restrictions related to the beneficial interest in the trust are $7,765,643 and $7,111,276 at December 31, 2025 and 2024, respectively. Perpetual trusts are arrangements in which a donor establishes and funds a perpetual trust administered by a third party. The Organization has the irrevocable right to receive the income earned on the trust assets in perpetuity but never receives the assets held in trust. Contributions of beneficial interests in perpetual trusts and adjustments in fair value are recorded on the statement of activities under with donor restrictions.

Note 6 – Net Assets with Donor Restrictions (continued)
The related assets are reported at fair market value in the statement of financial position. Distributions to the Organization from these trusts are recognized as current support. As required by accounting principles generally accepted in the United States of America, the Organization records its proportionate shares of the fair value of the trusts as net assets with donor restrictions at December 31, 2025 and 2024. Distributions from the trusts to the Organization are recorded as unrestricted contributions in the amounts of $435,476 and $404,685 for the years ended December 31, 2025 and 2024, respectively.

The Organization also received contributions during 2025 restricted for purpose. Total restricted remaining at December 31, 2025 was $801,841.

Note 7 – Liquidity
The Organization's financial assets available within one year of the statement of financial position date for general expenses are as follows:

Cash and cash equivalents	$	2,584,611
Grants receivable		272,168
Less amounts unavailable for general expenditures due to donor restrictions		(801,841)
	$	2,054,938

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations come due.

Note 8 – Pension Plan
The Organization offers a pension plan and trust through an external company. To be eligible to participate in the plan, an employee must be at least 21 years of age and have completed two years of continuous employment with a minimum of 1,000 hours per year. In 2025 and 2024, the Organization contributed 5% of the eligible employees' salaries to the plan. For the years ended December 31, 2025 and 2024, the Organization contributed $34,758 and $49,117, respectively.

Note 9 – Concentrations
The Organization is dependent upon funding from various grants and contributions. If this funding were lost, the Organization would not be able to provide the level of services that they are currently providing.

Note 10 – Contingencies
The Organization receives a significant portion of its revenues from grants, of which the majority are subject to audit by the federal and state governments. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlement is reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

Note 11 – In-Kind Contributions

For the years ended December 31, 2025 and 2024, contributed nonfinancial assets recognized within the statements of activities included the following:

	2025	2024
Repairs and maintenance	$ 35,499	$ 41,738

Contributed repairs and maintenance are provided by professional external service companies who performed bus repairs. Contributed services are used for program and general activities and are recognized at fair value based on current rates for similar professional services.

Note 12– Compensated Absences

The Organization's vacation policy states that full-time employees are entitled to vacation as follows:

Years of employment	Days
1 - 2 years	6
3 - 7 years	10
8 - 15 years	15
16 and above years	20

The maximum accumulation of vacation is 160 hours (20 days) which may be carried over. Any amount above that will be forfeited on January 1st.

Note 13 – Evaluation of Subsequent Events

The Organization has evaluated subsequent events and transactions for potential recognition or disclosure through August 25, 2026, the date the financial statements were available to be issued.

SINGLE AUDIT SECTION

Boys & Girls Clubs of Topeka
Topeka, Kansas

Schedule of Expenditures of Federal Awards
December 31, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Federal Assistance Listing Number	Expenditures
Department of Agriculture			
Passed through Kansas Department of Education			
Child and Adult Food Program	n/a	10.558	$ 70,989
Child Nutrition Cluster			70,989
Summer Food Service Program for Children	n/a	10.559	35,808
Total Department of Agriculture			106,797
Department of Education			
Passed through Kansas Department of Education			
Twenty-First Century Learning Centers	n/a	84.287	104,536
Total Department of Education			104,536
Department of Health and Human Services			
Passed through Kansas Department for Children and Families			
Temporary Assistance for Needy Families	n/a	93.558	734,452
TANF Cluster			734,452
Total Department of Health and Human Services			734,452
Department of Homeland Security			
Passed through Kansas Highway Patrol			
Non-profit Security Program	n/a	97.008	65,000
Total Expenditures of Federal Awards			$ 1,010,785

See independent auditor's report on the financial statements and notes to the schedule of expenditures of federal awards.

Boys & Girls Clubs of Topeka
Topeka, Kansas

Notes to the Schedule of Expenditures of Federal Awards
December 31, 2025

Note 1. General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal financial assistance programs for the Boys & Girls Clubs of Topeka (the Organization). The reporting Organization is defined in Note 1 of the Organization's basic financial statements. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the Schedule.

Note 2. Basis of Presentation

The accompanying Schedule is presented on a basis which is the same basis of accounting as the financial statements. The information in the Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

The Organization did not elect to use the 10% de minimis indirect cost rate permitted under 2 CFR 200.414(f)..

Boys & Girls Clubs of Topeka
Topeka, Kansas

Schedule of Findings and Questioned Costs
December 31, 2025

Section I – Summary of Independent Auditor's Results

Financial Statement

Type of auditor's report issued:	**Unmodified**
Internal control over financial reporting:	
Material weakness(es) identified?	**No**
Significant deficiencies identified?	**None reported**
Noncompliance material to financial statements noted?	**No**

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	**No**
Significant deficiencies identified?	**None reported**
Type of auditor's report issued on compliance for major programs:	**Unmodified**
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	**No**

Major Programs

Assistance Listing Number	Name of Federal Program or Cluster
93.558	**TANF Cluster - Temporary Assistance for Needy Families**

Dollar threshold used to distinguish between type A and type B programs:	**$ 1,000,000**
Auditee qualified as low-risk auditee?	**Yes**

Section II – Findings - Financial Statement Audit

None reported

Section III – Findings and Questioned Costs – Major Federal Award Programs Audit

None reported

Boys & Girls Clubs of Topeka
Topeka, Kansas

Summary Schedule of Prior Year Findings
December 31, 2025

None in prior year

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

To the Board of Directors
Boys & Girls Clubs of Topeka

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Boys & Girls Clubs of Topeka (the Organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated August 25, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements.

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However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Shipley & Williams CPAs, LLC
Topeka, Kansas
August 25, 2026

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Boys & Girls Clubs of Topeka

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Boys & Girls Clubs of Topeka (the Organization)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2025. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit.

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Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

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Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Shipley & Williams CPAs, LLC
Topeka, Kansas
August 25, 2026