Financial Statements

Big Brothers Big Sisters of Bath/Brunswick

December 31, 2025

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Big Brothers Big Sisters of Bath/Brunswick

December 31, 2025

Financial Statements:

Independent Auditors' Report

To the Board of Directors
Big Brothers Big Sisters of Bath/Brunswick
Brunswick, Maine

Opinion

We have audited the accompanying financial statements of Big Brothers Big Sisters of Bath/Brunswick (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year 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 Big Brothers Big Sisters of Bath/Brunswick as of December 31, 2025, and the changes in 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. 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 Big Brothers Big Sisters of Bath/Brunswick 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 Big Brothers Big Sisters of Bath/Brunswick'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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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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Big Brothers Big Sisters of Bath/Brunswick'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 Big Brothers Big Sisters of Bath/Brunswick'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 Type text

We have previously audited Big Brothers Big Sisters of Bath/Brunswick's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 16, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Purdy Powers & Company

Professional Association

Portland, Maine
July 6, 2026

Statement of Financial Position

Big Brothers Big Sisters of Bath/Brunswick

As of December 31, 2025
(with comparative totals for December 31, 2024)

	2025	2024
Assets		
Current Assets		
Cash	$ 102,023	$ 160,862
Investments	542,302	561,082
Contributions receivable	-	7,750
Prepaid expenses	13,769	10,818
Total Current Assets	658,094	740,512
Property and Equipment		
Office equipment	4,265	4,265
Less: accumulated depreciation	3,699	3,146
Net Property and Equipment	566	1,119
Total Assets	$ 658,660	$ 741,631
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 2,348	$ 81
Accrued expenses	14,801	10,747
Total Current Liabilities	17,149	10,828
Net Assets		
Without donor restrictions	637,405	719,611
With donor restrictions	4,106	11,192
Total Net Assets	641,511	730,803
Total Liabilities and Net Assets	$ 658,660	$ 741,631

See accompanying independent auditors' report and notes to financial statements.

Statement of Activities

Big Brothers Big Sisters of Bath/Brunswick

For the Year Ended December 31, 2025
(with comparative totals for December 31, 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues and Other Support				
Contributions:				
Monetary	$ 109,788	$ -	$ 109,788	$ 218,045
Special events	100,717	-	100,717	127,497
Grants	25,644	7,000	32,644	45,861
Interest and dividend income	20,431	-	20,431	16,962
Contributed nonfinancial assets	26,482	-	26,482	35,771
Other income	174	-	174	-
Net assets released from restrictions	14,086	(14,086)	-	-
Total Revenues and Other Support	297,322	(7,086)	290,236	444,136
Expenses				
Program services	300,237	-	300,237	282,345
Management and general	70,601	-	70,601	56,482
Fundraising	41,068	-	41,068	37,984
Total Expenses	411,906	-	411,906	376,811
Revenues Over (Under) Expenses	(114,584)	(7,086)	(121,670)	67,325
Other Income (Expense)				
Investment gains	32,378	-	32,378	16,724
Loss on sale of land	-	-	-	(9,517)
Total Other Income	32,378	-	32,378	7,207
Increase (Decrease) in Net Assets	(82,206)	(7,086)	(89,292)	74,532
Net assets at beginning of year	719,611	11,192	730,803	656,271
Net Assets at End of Year	$ 637,405	$ 4,106	$ 641,511	$ 730,803

See accompanying independent auditors' report and notes to financial statements.

Statement of Functional Expenses

Big Brothers Big Sisters of Bath/Brunswick

For the Year Ended December 31, 2025
(with comparative totals for December 31, 2024)

	2025				2024
	Program	Management & General	Fundraising	Total	Total
Expenses					
Compensation and benefits	$ 216,681	$ 43,475	$ 30,905	$ 291,061	$ 264,504
Rent and utilities	21,492	3,946	2,685	28,123	30,311
Insurance	7,183	3,650	-	10,833	9,129
National and local dues	9,863	403	26	10,292	9,766
Maintenance and equipment	2,437	584	991	4,012	8,811
Travel	4,486	-	196	4,682	6,151
Depreciation	410	85	58	553	852
Postage and newsletter	1,784	282	1,476	3,542	3,371
Professional fees	9,054	17,846	792	27,692	6,723
Supplies	3,772	97	66	3,935	7,341
Subscriptions	4,134	-	-	4,134	3,900
Background checks	6,846	-	-	6,846	2,300
Miscellaneous	12,095	233	3,873	16,201	23,652
Total Expenses	$ 300,237	$ 70,601	$ 41,068	$ 411,906	$ 376,811

See accompanying independent auditors' report and notes to financial statements.

Statement of Cash Flows

Big Brothers Big Sisters of Bath/Brunswick

For the Year Ended December 31, 2025
(with comparative totals for December 31, 2024)

	2025	2024
Operating Activities		
Increase (decrease) in net assets	$ (89,292)	$ 74,532
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	553	852
Loss on sale of land	-	9,517
Gain on investments	(32,378)	(16,724)
Donated stock	-	(3,057)
(Increase) decrease in operating assets:		
Contributions receivable	7,750	4,595
Prepaid expenses	(2,951)	354
Increase (decrease) in operating liabilities:		
Accounts payable	2,267	(1,083)
Accrued expenses	4,054	3,524
Net Cash Provided (Used) by Operating Activities	(109,997)	72,510
Investing Activities		
Proceeds from sale of land	-	320,483
Purchase of investments	(125,735)	(370,611)
Proceeds from sale of investments	176,893	9,072
Net Cash Provided (Used) by Investing Activities	51,158	(41,056)
Increase (Decrease) in Cash	(58,839)	31,454
Cash at beginning of year	160,862	129,408
Cash at End of Year	$ 102,023	$ 160,862

See accompanying independent auditors' report and notes to financial statements.

Notes to Financial Statements

Big Brothers Big Sisters of Bath/Brunswick

Note A - Summary of Significant Accounting Policies

Nature of Activities
Big Brothers Big Sisters of Bath/Brunswick (the Organization) is a nonprofit organization located in Brunswick, Maine for the purpose of making a positive difference in the lives of children residing in the greater Bath/Brunswick communities and the Sagadahoc County area, primarily through professionally supported one-to-one relationships with caring adults who assist them in attaining their highest potential. The Organization is an affiliate of Big Brothers Big Sisters of America.

Basis of Presentation
The accompanying financial statements include a statement of financial position, a statement of activities, a statement of functional expenses and a statement of cash flows. The Organization is required to report information regarding its financial position and activities according to two classes of net assets as follows:

> Net Assets without Donor Restrictions - Represents those resources that are not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants), and can be used for any purpose designated by the Organization's governing board.
>
> Net Assets with Donor Restrictions - Represents resources and the portion of net assets resulting from contributions and other inflows of assets whose use is subject to donor-imposed restrictions.

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

Contributed Nonfinancial Assets
As more fully described in Note F, amounts are reported in the financial statements for voluntary donations of services when those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and which typically would be purchased if not provided by donation. Donated materials are recorded at the fair value at the date of the gift. During the year, materials and professional services were donated to the Organization. The value of materials and professional services was $4,482. Rent was paid at a discount during the year. The fair market value of rent over the amount paid by the Organization during the year was $22,000.

Big Brothers Big Sisters of Bath/Brunswick

Note A - Summary of Significant Accounting Policies - Continued

Revenue Recognition
The financial statements of the Organization have been prepared on the accrual basis of accounting. Revenues received are recorded as revenue without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in net assets with donor restriction, depending on the nature of the restriction.

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 Statement of Activities as net assets released from restrictions.

In accordance with ASC 606, the Organization recognizes revenue when it satisfies a performance obligation by transferring control of a promised good or service, in an amount that reflects the consideration it expects to be entitled to in exchange for those goods or services.

In Management's judgement, any revenue received subject to ASC 606 during the year ended December 31, 2025 is insignificant to the financial statements.

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.

Cash and Cash Equivalents
The Organization considers cash in banks and all other highly liquid investments with a maturity of less than three months, other than amounts included with investments, to be cash and cash equivalents for the purpose of the statement of cash flows. The Organization maintains its cash and cash equivalents in bank deposit accounts, and at times balances may exceed federally insured limits. The Organization has not experienced any losses in such accounts.

Investments
The Organization reports investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets, in the accompanying statement of activities.

Big Brothers Big Sisters of Bath/Brunswick

Note A - Summary of Significant Accounting Policies - Continued

Contributions Receivable
Contributions receivable represent amounts due to the Organization for unconditional promises, which are recognized as revenue in the period the promise is made. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Organization has no contributions receivable as of December 31, 2025.

Property and Equipment
Property and equipment are recorded at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over appropriate estimated useful lives.

Repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related depreciation allowances, and any gain or loss is recognized. Depreciation expense for the year ended December 31, 2025 was $553.

Functional Expenses
The financial statements report certain categories of expenses that are attributable to more than one program or supporting functions of the Organization. Those expenses include compensation, payroll taxes and benefits, occupancy, maintenance and equipment, and depreciation. Compensation, payroll taxes and benefits are allocated based on estimates of time and effort, certain costs of occupancy, maintenance and equipment, and depreciation and other office and utility expenses are based on management’s estimate of the appropriate allocations for each expense.

Comparative Data
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 December 31, 2024, from which the summarized information was derived.

Big Brothers Big Sisters of Bath/Brunswick

Note B - Investments

Investments are stated at fair value as of December 31, 2025 as follows:

Money market	$ 116,498
Equities	198,379
Fixed income	180,146
International	47,279
	$ 542,302

Investment income is summarized as follows:

Interest and dividend income	$ 20,431
Net realized and unrealized gains	32,378
Total investment gain	$ 52,809

Note C - Fair Value Measurements

The Organization applies a framework for measuring fair values under generally accepted accounting principles which applies to all financial instruments that are measured and reported at fair value.

The framework for measuring fair value of financial assets and liabilities includes a hierarchy of three levels for observable independent market inputs and unobservable market assumptions. A description of the inputs used in the valuation of assets and liabilities under this hierarchy is as follows:

> <u>Level 1</u> – Quoted prices are available in active markets, such as the New York or American Stock Exchange markets, for identical investments as of the reporting date. Level 1 also includes U.S. Treasury and federal agency securities and mortgage-backed securities traded by brokers or dealers in active markets.
>
> <u>Level 2</u> – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1. Fair values are obtained from third party pricing services that may use models or other valuation methodologies to derive market value. These may be investments traded in less active dealer or broker markets.
>
> <u>Level 3</u> – Pricing inputs are unobservable for investments and valuations are derived from other methodologies not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities. The types of investments in this category would generally include debt and equity securities issued by private entities and partnerships.

Big Brothers Big Sisters of Bath/Brunswick

Note C - Fair Value Measurements - Continued

The following summarizes fair values of investment assets by levels within the fair value hierarchy at December 31, 2025:

	Level 1	Level 2	Level 3	Total
Investments:				
Money market	$ 116,498	$ -	$ -	$ 116,498
Equities	198,379	-	-	198,379
Fixed income	180,146	-	-	180,146
International	47,279	-	-	47,279
	$ 542,302	$ -	$ -	$ 542,302

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment based on the lowest level of input that is significant to the fair value measurement. All assets have been valued using a market approach. There have been no changes in valuation techniques and related inputs.

Note D - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at December 31, 2025:

Subject to expenditure for specified purpose:	
After-school high school Bigs and Littles program	$ 441
Exposing children to the arts	3,665
Total net assets with donor restrictions	$ 4,106

Note E - Liquidity and Availability

Financial assets consist of the Organization's cash and investments. The following reflects the Organization's financial assets as of December 31, 2025, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the date of the Statement of Financial Position.

Financial assets available to meet cash needs for general expenditures within one year consists of the following at December 31, 2025:

Financial assets, at year-end	$ 644,325
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with purpose restrictions	(4,106)
Financial assets available to meet cash needs for general expenditures within one year	$ 640,219

The Organization's financial assets available to meet cash needs for general expenditures within one year represents funding for ongoing operational requirements and planned increases in program expenditures in 2026.

The Organization is substantially supported by contributions from donations solicited and contributions received. The Organization actively manages its cash flow to ensure funds are available for general expenditures, liabilities, and other obligations as they come due.

Note F - Contributed Nonfinancial Assets

For the year ended December 31, 2025, contributed nonfinancial assets recognized within the statement of activities included:

Rent	$ 22,000
Gift cards	25
Services	1,920
Other	2,537
	$ 26,482

The Organization recognized contributed nonfinancial assets within revenue, including contributed rent, gift cards, services and other supplies. There were no contributed nonfinancial assets with donor restrictions.

Big Brothers Big Sisters of Bath/Brunswick

Note F - Contributed Nonfinancial Assets - Continued

Contributed rent is comprised of a lease from Norway Savings Bank, which provides office space for the Organization. The lease is month to month and valued at fair market value.

Contributed services is comprised of professional services for IT and technology support. These services are valued and reported in the financial statements at the estimated fair value based on current rates for similar services.

Contributed gift cards and other supplies were used for general and fundraising activities. In valuing these items, the Organization estimated the fair value basis based on current prices.

Note G - Income Taxes

The Organization qualifies as an organization exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and files a Form 990 tax return. With few exceptions, the Organization is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2022 due to statute of limitations. The Organization has adopted the provisions of FASB ASC 740, *Income Taxes*. Management of the Organization believes it has no material uncertain tax positions and, accordingly it will not recognize any liability for unrecognized tax benefits.

Note H - Retirement Plan

The Organization offers a SIMPLE retirement plan with a 3% match open to all eligible employees. Match expense for the year ended December 31, 2025, amounted to $5,409.

Note I - Related Party Transactions

The Organization is an independent 501(c)(3) affiliate of Big Brothers Big Sisters of America. During the year ended December 31, 2025, the Organization paid affiliate fees of $9,677, technology fees for software usage of $4,134, and conference fees of $1,200 to the national organization.

Note J - Subsequent Events

Management has made an evaluation of subsequent events up to and including July 6, 2026, which was the date the financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.