



**BARRY COUNTY UNITED WAY
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED MARCH 31, 2026**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Barry County United Way

Opinion

We have audited the accompanying financial statements of Barry County United Way (the "Organization"), which comprise the statement of financial position as of March 31, 2026, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Barry County United Way as of March 31, 2026, 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. 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.

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 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 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.



Gabridge & Company, PLC
Grand Rapids, MI
October 14, 2026

Barry County United Way
Statement of Financial Position
March 31, 2026

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 2,587,558
Pledges Receivable, net of allowance	183,161
Total Current Assets	2,770,719

Noncurrent Assets

Property and Equipment, net	36,483
Operating Lease Right-of-Use Assets, net	23,075
Total Assets	\$ 2,830,277

LIABILITIES

Current Liabilities

Accounts Payable	\$ 11,581
Accrued Payroll Liabilities	33,210
Designated Pledges Payable	48,074
Unexpended Grants	66,621
Current Portion of Operating Lease Liability	10,208
Total Current Liabilities	169,694

Noncurrent Liabilities

Noncurrent Portion of Operating Lease Liability	13,824
Total Liabilities	183,518

NET ASSETS

Net Assets without Donor Restrictions	2,091,835
Net Assets with Donor Restrictions	554,924
Total Net Assets	2,646,759
Total Liabilities and Net Assets	\$ 2,830,277

The Notes to the Financial Statements are an integral part of these Financial Statements

Barry County United Way
Statement of Activities
For the Year Ended March 31, 2026

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support			
Contributions and Grants	\$ 398,569	\$ 165,092	\$ 563,661
Net Campaign Revenue	-	1,011,771	1,011,771
Volunteer Center Income	2,089	-	2,089
Interest Income	60,933	-	60,933
Net Assets Released from Restrictions	1,177,513	(1,177,513)	-
Total Revenues and Other Support	1,639,104	(650)	1,638,454
Expenses			
Program Services	1,338,395	-	1,338,395
Supporting Services			
Management and general	75,838	-	75,838
Fundraising and development	64,027	-	64,027
Total Expenses	1,478,260	-	1,478,260
Change In Net Assets	160,844	(650)	160,194
<i>Net Assets at Beginning of Period</i>	<i>1,930,991</i>	<i>555,574</i>	<i>2,486,565</i>
Net Assets at End of Period	\$ 2,091,835	\$ 554,924	\$ 2,646,759

The Notes to the Financial Statements are an integral part of these Financial Statements

Barry County United Way
Statement of Functional Expenses
For the Year Ended March 31, 2026

	<u>Supporting Services</u>			
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising and Development</u>	<u>Total</u>
Salaries and Wages	\$ 362,418	\$ 45,301	\$ 45,301	\$ 453,020
Employee Benefits	64,728	8,092	8,092	80,912
Payroll Taxes	27,133	3,392	3,392	33,917
Advertising	2,766	-	691	3,457
Board Designated Projects	629,836	-	-	629,836
Campaign Expenses	3,008	1,105	628	4,741
Computer Supplies	842	340	271	1,453
Credit Card Charges	514	208	165	887
Depreciation	-	6,700	-	6,700
Dues and Subscriptions	4,591	56	1,128	5,775
Emergency Assistance Programs	209,955	-	-	209,955
Insurance	2,278	921	733	3,932
Maintenance and Repairs	3,202	1,543	660	5,405
Meetings	788	98	74	960
Miscellaneous	106	43	34	183
Office Supplies	1,417	1,105	312	2,834
Other Special Events	11,687	-	-	11,687
Postage and Printing	1,052	822	232	2,106
Professional	3,125	2,438	687	6,250
Rent	5,028	2,423	1,036	8,487
Telephone	3,162	632	421	4,215
Travel	759	619	170	1,548
<i>Total Expenses Included in the Expense Section on the Statement of Activities</i>	<u>\$ 1,338,395</u>	<u>\$ 75,838</u>	<u>\$ 64,027</u>	<u>\$ 1,478,260</u>

The Notes to the Financial Statements are an integral part of these Financial Statements

Barry County United Way
Statement of Cash Flows
For the Year Ended March 31, 2026

Cash Flows From Operating Activities	
Increase in Net Assets	\$ 160,194
Adjustments to Reconcile Increase in Net Assets to	
Net Cash Provided by Operating Activities	
Operating Activities:	
Depreciation	6,700
Changes in Operating Assets and Liabilities:	
Pledges Receivable	(113,365)
Accounts Payable	(10,521)
Accrued Payroll Liabilities	31,610
Designated Pledges Payable	(650)
Unexpended Grants	21,057
Operating Lease Right-of-Use Asset and Related Liability	957
Net Cash Provided by Operating Activities	<u>95,982</u>
Net Increase in Cash and Cash Equivalents	95,982
<i>Cash and Cash Equivalents, Beginning of Year</i>	<u>2,491,576</u>
<i>Cash and Cash Equivalents, End of Year</i>	<u><u>\$ 2,587,558</u></u>

The Notes to the Financial Statements are an integral part of these Financial Statements

Barry County United Way

Notes to the Financial Statements

Note 1 - Principal Activity and Significant Accounting Policies

Nature of Activities

In 1936, Mrs. Florence Groos spearheaded the formation of the Barry Community Chest, the forerunner of Barry County United Way (the "Organization"). The Organization worked diligently to raise funds for youth programming in the Hastings School District area. Sixteen years later, the Organization joined the United Way of America to form Barry County United Way.

Today, the Organization, together with its partner agencies, supports a variety of community needs throughout Barry County. While preparing youth to become accountable adults remains a focus, the Organization also supports families in achieving well-being and success, helps older adults find support and maintain independence, promotes positive change, and addresses the urgent needs of residents.

The Organization's mission is "to improve lives by mobilizing the caring power of Barry County communities." Its vision is to build a stronger Barry County by mobilizing communities to improve people's lives. To achieve this vision, the Organization seeks to energize and inspire people to make a difference; develop human care agendas within and across communities; build coalitions around these agendas; increase investments in these agendas by expanding and diversifying its own development efforts and supporting those of others; measure, communicate, and learn from the impact of its efforts; and reflect the diversity of the communities it serves.

Basis of Accounting and Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Organization follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, Not-for-Profit Entities, in the preparation and presentation of its financial statements.

Net Asset Classifications

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

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions or for which donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Organization. The Board of Directors may designate net assets without donor restrictions for specific purposes from time to time.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors. Some donor-imposed restrictions are temporary in nature and will be met by actions of the Organization or by the passage of time. Other donor-imposed restrictions are perpetual in nature, whereby the donor has stipulated that the resources be maintained in perpetuity. When a donor-imposed restriction expires or is fulfilled, net assets with donor restrictions are reclassified to net assets

Barry County United Way

Notes to the Financial Statements

without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Use of Estimates

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

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Nonoperating activities consist of investment returns, endowment contributions, financing costs, and other activities that are considered nonrecurring in nature.

Contributions and Promises to Give

Contributions are reported as either with donor restrictions or without donor restrictions depending on the existence and nature of any donor-imposed restrictions. When a donor-imposed restriction expires, either through the passage of time or fulfillment of the stipulated purpose, 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. Contributions with donor-imposed restrictions that are satisfied in the same reporting period are reported as contributions without donor restrictions.

Unconditional promises to give are recognized as revenue in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promise becomes unconditional.

Unexpended Grant

Unexpended grant represents grant amounts received but not expended during the year. The full amount is expected to be recognized as revenue in the subsequent fiscal year.

Donated Goods and Services

The Organization may receive contributions of donated goods, materials, and services. Donated goods, materials, and services that meet the criteria for recognition are recognized as contribution revenue at their estimated fair value on the date of donation.

The Organization also receives services from volunteers who assist with various programs. These volunteer services are not recognized in the financial statements because they do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

Barry County United Way

Notes to the Financial Statements

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Expenses that are directly identifiable with a specific program or supporting function are charged directly to that function. Expenses that benefit more than one function are allocated on a reasonable and consistent basis. Compensation and related benefits are allocated based on management's estimates of time and effort. Other shared expenses are allocated based on factors such as the nature of the expense, resources and space utilized, and the relative benefit provided to each function.

Cash and Investments

Cash and cash equivalents consist of cash on hand, demand deposits, and highly liquid investments with original maturities of three months or less. Certificates of deposit are carried at their deposit balances.

Accounts and Grant Receivables

Accounts and grant receivables are stated at amounts expected to be collected. Management considers these receivables to be fully collectible; accordingly, no allowance for uncollectible accounts has been recorded. Amounts determined to be uncollectible are charged to operations when that determination is made.

Pledges Receivable

The Organization conducts an annual fundraising campaign each fall to obtain donations and pledges to fund the subsequent year's operations. The campaign pledge period consists of April 1 through March 31 of the following year. Accordingly, a receivable is recorded at year-end for outstanding pledges, with an allowance for amounts estimated to be uncollectible. Substantially all pledges receivable are from corporations, employees, and individuals. The Organization maintains reserves for potential uncollectible pledges that, in the aggregate, have not exceeded management's expectations. After two years, uncollected campaign pledges are written off.

Community-wide care donations and pledges are recorded as revenues with donor restrictions in the campaign year and released to net assets without donor restrictions as time restrictions are satisfied in the subsequent year. Donor-designated pledges are accounted for as a liability until distributed to the designated agency and are not recognized as contribution revenue by the Organization. Both community-wide care and donor-designated pledges are reported net of an estimated allowance for uncollectible pledges.

Barry County United Way

Notes to the Financial Statements

Property and Equipment

The Organization capitalizes expenditures for property and equipment acquisitions in excess of \$500. Property and equipment are carried at cost or, if donated, at fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally as follows:

Office equipment	5 years
Computer software	3 - 5 years
Furniture and fixtures	5 - 10 years
Leasehold improvements	5 - 20 years

Advertising Costs

The Organization expenses advertising costs as incurred. Advertising expense for the year ended March 31, 2026 was \$3,457.

Tax Status

The Organization is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Organization is subject to federal income tax on unrelated business income, if any.

The Organization evaluates its tax positions and has determined that there are no uncertain tax positions requiring recognition or disclosure in the financial statements. The Organization's federal and state information returns are generally subject to examination by taxing authorities for three years after they are filed.

Note 2 - Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of March 31, 2026, reduced by amounts not available for general expenditure within one year of the statement of financial position date:

Cash and Cash Equivalents	\$ 2,587,558
Pledges Receivable, net of allowance	<u>183,161</u>
Financial Assets - At Year-End	<u>2,770,719</u>
Less Those Unavailable for General Expenditure Within One Year, Due To:	
Contractual or Donor-Imposed Restrictions:	
Restrictions by Donor with Time or Purpose Restrictions	<u>(554,924)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 2,215,795</u>

Barry County United Way

Notes to the Financial Statements

Note 3 - Pledges Receivable

Pledges receivable as of March 31, 2026 consist of the following:

Campaign Pledges Receivable	\$ 229,908
Less: Allowance for Uncollectible Pledges	<u>(46,747)</u>
Net Pledges Receivable	<u>\$ 183,161</u>

The allowance for uncollectible pledges is calculated based on a ten-year historical average of uncollectible pledges for the Organization.

Note 4 - Funds Held by Barry Community Foundation

Barry Community Foundation (the “Foundation”) holds and administers four funds associated with Barry County United Way (the “Organization”). The Florence Tyden Groos Memorial Fund provides ongoing financial support for the administrative activities of the Organization. The George Romney Fund provides support for the Volunteer Center serving Barry County. The Homelessness Prevention Fund provides support for homelessness prevention programs and related assistance and administration. The Family Economic Security Office Fund provides support for programs that assist individuals and families with financial management, budgeting, and related financial needs.

The funds are invested by the Foundation and are not recorded as assets of the Organization.

During the year ended March 31, 2026, the Organization received distributions totaling \$165,092 from the Foundation, consisting of \$150,300 from the Florence Tyden Groos Memorial Fund, \$8,970 from the George Romney Fund, \$3,322 from the Homelessness Prevention Fund, and \$2,500 from the Family Economic Security Office Fund. These distributions were recognized as revenue by the Organization.

Note 5 – Property and Equipment

Property and equipment activity for the year ended March 31, 2026 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Property and Equipment Being Depreciated				
Leasehold Improvements	\$ 78,019	\$ -	\$ -	\$ 78,019
Equipment and Fixtures	29,526	-	-	29,526
Computer Software	15,120	-	-	15,120
<i>Subtotal</i>	<u>122,665</u>	<u>-</u>	<u>-</u>	<u>122,665</u>
Less Accumulated Depreciation				
Leasehold Improvements	(41,153)	(4,086)	-	(45,239)
Equipment and Fixtures	(23,209)	(2,614)	-	(25,823)
Computer Software	(15,120)	-	-	(15,120)
<i>Subtotal</i>	<u>(79,482)</u>	<u>(6,700)</u>	<u>-</u>	<u>(86,182)</u>
Property and Equipment, net	<u>\$ 43,183</u>	<u>\$ (6,700)</u>	<u>\$ -</u>	<u>\$ 36,483</u>

Depreciation expense for the year ended March 31, 2026 was \$6,700.

Barry County United Way

Notes to the Financial Statements

Note 6 - Operating Lease

The Organization leases office space from Barry Community Enrichment Center, Inc. under an operating lease agreement that commenced July 1, 2023 and expires June 30, 2028. Fixed lease payments are due monthly and increase annually over the lease term. The agreement does not contain a purchase option. A renewal option requiring mutual agreement of the parties is excluded from the lease term.

The Organization recognizes an operating lease right-of-use asset and operating lease liability based on the present value of the remaining fixed lease payments. The lease liability was measured using a discount rate of 4.19%. Operating lease cost is recognized on a straight-line basis over the lease term. Operating lease cost for the year ended March 31, 2026 was \$10,752.

As of March 31, 2026, the operating lease right-of-use asset, net, was \$23,075 and the operating lease liability was \$24,032, consisting of a current portion of \$10,208 and a noncurrent portion of \$13,824. The weighted-average remaining lease term was 2.25 years, and the weighted-average discount rate was 4.19% as of March 31, 2026.

Future lease payments are as follows:

Year Ending March 31,	Lease Payments
2027	\$ 10,983
2028	11,316
2029	2,850
Total Undiscounted	\$ 25,149
Less Imputed Interest	(1,117)
Present Value of Lease Liability	\$ 24,032

Note 7 - Retirement Plan

The Organization maintains an employer-funded defined contribution retirement plan for eligible employees. Under the plan, the Organization contributes 10% of each eligible employee's compensation. Retirement plan expense for the year ended March 31, 2026 was \$22,496.

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions totaled \$554,924 at March 31, 2026 and consisted of amounts subject to expenditure for community investment purposes.

Note 9 - Net Assets Released from Restrictions

Net assets of \$1,177,513 were released from donor restrictions during the year ended March 31, 2026 by satisfying time or purpose restrictions imposed by donors.

Barry County United Way

Notes to the Financial Statements

Note 10 - Commitments

As part of the annual allocation process, the Organization has committed approximately \$489,850 to various agencies in Barry County and the surrounding areas for the twelve-month period beginning April 1, 2026.

Note 11 - Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, investments, and pledges receivable. The Organization places its cash and investments with high-quality financial institutions. Although such investments and cash balances may exceed federally insured limits at certain times during the year, in the opinion of management, risk is minimal. Credit risk with respect to pledges is minimal and is accounted for by using an allowance for uncollectible receivables based on an estimated 5% of total pledges received.

Note 12 - Subsequent Events

The Organization has evaluated subsequent events through October 14, 2026, the date the financial statements were available to be issued. No subsequent events requiring recognition or disclosure in the financial statements were identified.

October 14, 2026

To the Board of Directors

Barry County United Way
Hastings, Michigan

We have audited the financial statements of Barry County United Way (the “Organization”) for the year ended March 31, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 7, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2026. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management’s estimate of the allocation of functional expenses is based on assessment of the time and resources devoted to its various program and supporting activities. We evaluated the methods, assumptions, and data used to develop the functional expense allocation estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 14, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in dark ink that reads "Gabridge & Company". The signature is written in a cursive, flowing style.

Gabridge & Company, PLC
Grand Rapids, Michigan