

**HUDSON MOHAWK ROAD RUNNERS CLUB
FINANCIAL REPORT
DECEMBER 31, 2023**

HUDSON MOHAWK ROAD RUNNERS CLUB

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BUSINESS
ADVISORS
AND CPAS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Hudson Mohawk Road Runners Club

We have reviewed the accompanying statement of cash receipts and disbursements of Hudson Mohawk Road Runners Club (a nonprofit organization) for the year ended December 31, 2023, and the related notes to the financial statement. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting the company uses is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Hudson Mohawk Road Runners Club and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying statement of cash receipts and disbursements in order for it to be in accordance with the cash receipts and disbursements basis of accounting.

Basis of Accounting

We draw attention to Note 3 of the financial statement, which describes the basis of accounting. The financial statement has been prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Mengel, Metzger, Barw & Co. LLP

Latham, NY
July 31, 2024

**HUDSON MOHAWK ROAD RUNNERS CLUB
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

CASH RECEIPTS

Contributions, Sponsorships and Entry Fees from Races	\$ 515,271
Direct Public Support	30,000
Membership Dues	16,551
Interest	15,842
Clothing Sales	2,713
Other Income	1,453
Total Cash Receipts	<u>581,830</u>

CASH DISBURSEMENTS

Race Expenses, including Advertising of \$14,682	413,248
Professional Services, Insurance and Other Administration	19,152
Facility	8,038
Vehicle Maintenance	5,659
Equipment Maintenance	679
Programs	61,181
Communications	10,404
Membership	5,071
Payroll Expenses	9,317
Total Cash Disbursements	<u>532,749</u>

Increase in Cash 49,081

CASH AND INVESTMENTS - OTHER, BEGINNING OF YEAR 534,774

CASH AND INVESTMENTS - OTHER, END OF YEAR \$ 583,855

HUDSON MOHAWK ROAD RUNNERS CLUB
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2023

1. NATURE OF OPERATIONS

The Hudson Mohawk Road Runners Club (the Club) is the Albany, New York area's largest running organization. The Club formed in 1971 and was incorporated under Section 402 of the Not-for-Profit Corporation Law of the State of New York during 1977. The Club has over 2,000 members and organizes nearly 30 running events a year. The Club is dedicated to promoting the sport of distance running through education and training to promote running as a part of a healthy lifestyle, promoting personal fitness and community through organizing and managing running events, providing a means of communication among club members and creating opportunities for social activities. The Club is primarily supported by entry fees from races.

2. INCOME TAXES

The Club is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Club qualifies for the charitable contribution deduction and has been classified as an organization that is not a private foundation.

The tax status of tax-exempt entities is an uncertain tax position, since events could potentially occur that jeopardize tax-exempt status. Management of the Club is not aware of any events that could jeopardize tax-exempt status and follows statutory requirements and avoids risks with tax positions that may be challenged upon examination. Therefore, no provision for income tax relating to uncertain tax provisions has been disclosed.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies applied in the preparation of the financial statement follow:

Basis of Accounting

The Club's policy is to prepare its financial statement on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under that basis, the only assets recognized are cash and investments - other, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized in the financial statement. Consequently, contributions and other revenues are recognized when received rather than when promised or earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Cash and Investments - Other Position Classes

The Club's cash and investments - other positions and activities are recognized according to two classes: cash and investments - other without donor restrictions and cash and investments - other with donor restrictions.

Without Donor Restrictions - Cash and investments - other that is not subject to donor-imposed stipulations.

With Donor Restrictions - Cash and investments - other subject to donor-imposed stipulations that expire by the passage of time, can be fulfilled or removed by actions pursuant to those stipulations, or are required to be maintained permanently, thereby restricting the use of principal.

**HUDSON MOHAWK ROAD RUNNERS CLUB
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2023**

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Investments - Other Position Classes

A rollforward of cash and investments – other by position class for the year ended December 31, 2023 is follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Cash and investments - other, beginning of year	\$ 534,774	\$ -	\$ 534,774
Cash receipts	551,830	30,000	581,830
Cash disbursements	(532,749)	-	(532,749)
Amounts released from restrictions	-	-	-
Cash and investments - other, end of year	<u>\$ 553,855</u>	<u>\$ 30,000</u>	<u>\$ 583,855</u>

Contributions

Contributions are recorded as with donor restrictions if received with donor stipulations that limit the use of the contribution. When a stipulated restriction is accomplished, contributions with donor restrictions are reclassified to contributions without donor restrictions. Contributions which impose restrictions met in the same year they are received are included in contributions without donor restrictions.

Investments - Other

Certificates of deposit, with maturities in excess of ninety days, and held for investment that are not debt securities are included in “investments – other”. The Club has invested in one certificate of deposit with a fifteen-month maturity (maturing February 2025). The certificate of deposit is measured at cost plus interest received.

4. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available within one year for general expenditures, such as race expenses, program expenses, and operating expenses, were as follows at December 31, 2023:

Cash	\$ 329,598
Certificate of Deposit	254,257
Total Financial Assets	<u>583,855</u>
Certificate of Deposit, with maturity over one year	<u>(254,257)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 329,598</u>

As part of the Club’s liquidity management, it has a policy to structure its financial asset to be available as its general expenditures and obligations become due. Additionally, the Club invests cash in excess of daily requirements in an interest bearing preferred plus savings account.

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5. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Club to concentrations of credit risk consist of cash accounts in a financial institution which, from time to time, may exceed federally insured limits. There were uninsured balances totaling approximately \$9,800 at December 31, 2023. The Club has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

6. FUNCTIONAL EXPENSES

Program and supporting services expenses related to promoting the sport of distance running through education and training are as follows:

	Program Services	Management and General	Total
Race expenses, including advertising of \$14,682	\$ 413,248	\$ -	\$ 413,248
Professional services, insurance and other administration	-	19,152	19,152
Facility	-	8,038	8,038
Vehicle maintenance	-	5,659	5,659
Equipment maintenance	-	679	679
Programs	61,181	-	61,181
Communications	-	10,404	10,404
Membership	-	5,071	5,071
Payroll expenses	-	9,317	9,317
	\$ 474,429	\$ 58,320	\$ 532,749

Expenses are charged directly to program or supporting services based on specific identification. Management and general expenses include those expenses that provide for the overall support and direction of the Club. Fundraising expenses are not significant.

7. COMMITMENTS

The Club leases office and warehouse space in Cohoes, New York, under an operating agreement that expired April 2020. This lease was continued on a month-to-month basis effective May 2020. Rent expense paid under this lease totaled \$7,500 for the year ended December 31, 2023.

8. SUBSEQUENT EVENTS

The Club's management has evaluated all events subsequent to December 31, 2023 through July 31, 2024, which is the date this financial statement was available to be issued, and has determined that there are no subsequent events that require recording or disclosure.