

PLACE OF PROMISE, INC.

(A Non-Profit Corporation)

ANNUAL FINANCIAL STATEMENTS

(Review)

JUNE 30, 2015

PLACE OF PROMISE, INC.  
LOWELL, MASSACHUSETTS  
(A Non-Profit Corporation)

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# Cocio & Richardson

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To the Board of Directors of  
Place of Promise, Inc.  
Lowell, Massachusetts

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying statement of financial position of Place of Promise, Inc. (a nonprofit organization) as of June 30, 2015 and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



Certified Public Accountant  
May 6, 2016

PLACE OF PROMISE, INC.

STATEMENT OF FINANCIAL POSITION

June 30, 2015

ASSETS

CURRENT ASSETS:

Cash - Operations	\$ 118,996
Cash - Held in Trust (Note 5)	56,765
Total Cash	<u>175,761</u>
Investments (Note 2 & 3)	37,474
Loan Receivable (Note 6)	10,750
Prepaid expenses	14,463
Total Current Assets	<u>238,448</u>

PROPERTY AND EQUIPMENT (Note 2 & 4):

Land	174,000
Buildings	727,366
Building Improvements	29,993
Automobiles	32,472
	<u>963,831</u>
Less - Accumulated Depreciation	(242,459)
Net Property and Equipment	<u>721,372</u>

TOTAL ASSETS \$ 959,820

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts Payable	\$ 1,979
Accrued Expenses	3,400
Deposits Held in Trust (Note 5)	56,765
Equity Line of Credit Payable (Note 7)	20,000
Mortgages Payable - current portion	7,671
Total Current Liabilities	<u>89,815</u>

LONG TERM LIABILITIES:

Mortgages Payable - long term - (Note 8)	<u>209,845</u>
Total Liabilities	299,660

NET ASSETS (Note 2 & 9):

Temporarily Restricted Net Assets	0
Unrestricted Net Assets	660,160
Total Net Assets	<u>660,160</u>

TOTAL LIABILITIES AND NET ASSETS \$ 959,820

See accompanying Notes and Independent Accountant's Review Report.

PLACE OF PROMISE, INC.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND GAINS (Note 2, 3 & 9):			
Contributions	\$ 321,723	\$ 18,800	\$ 340,523
Program Fees	34,156		34,156
Investment Income	184		184
Gain (Loss) on Sale of Investments-Realized	2,825		2,825
Gain (Loss) on Investments-Unrealized	(2,575)		(2,575)
Total Revenues and Gains	<u>356,313</u>	<u>18,800</u>	<u>375,113</u>
Net Assets released from restriction:			
Restrictions satisfied by payments (Note 9)	<u>19,800</u>	<u>(19,800)</u>	
Total Revenue, Gains, and Other Support	376,113	(1,000)	375,113
EXPENSES:			
Program	247,312		247,312
General and Administrative	103,480		103,480
Fundraising	<u>5,088</u>		<u>5,088</u>
Total Expenses	<u>355,880</u>		<u>355,880</u>
CHANGE IN NET ASSETS	20,233	(1,000)	19,233
NET ASSETS - BEGINNING OF YEAR	<u>639,927</u>	<u>1,000</u>	<u>640,927</u>
NET ASSETS - END OF YEAR	<u>\$ 660,160</u>	<u>\$ 0</u>	<u>\$ 660,160</u>

See accompanying Notes and Independent Accountant's Review Report.

PLACE OF PROMISE, INC.  
STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2015

	<u>PROGRAM</u>	<u>GENERAL &amp; ADMINISTRATIVE</u>	<u>FUNDRAISING</u>	<u>TOTALS</u>
Salaries & Wages	\$ 116,129	\$ 84,720		\$ 200,849
Employee Benefits	3,587	518		4,105
Payroll Taxes	10,487	7,656		18,143
Food & Supplies	6,856			6,856
Other Program Expenses	10,320			10,320
Auto Expense	11,528	1,425		12,953
Depreciation	26,670			26,670
Insurance	12,316			12,316
Intern Expenses	9,745			9,745
Education/Training	903			903
Repairs & Maintenance	3,750			3,750
Utilities	15,955			15,955
Telephone	7,207			7,207
Other Administrative		1,628		1,628
Interest	11,859	793		12,652
Professional Services		6,740		6,740
Newsletter & Printing			\$ 5,088	5,088
	\$ 247,312	\$ 103,480	\$ 5,088	\$ 355,880

See accompanying Notes and Independent Accountant's Review Report.

PLACE OF PROMISE, INC.

STATEMENT OF CASH FLOWS

For the year ended June 30, 2015

Increase (Decrease) in Cash & Cash Equivalents	
Change in Net Assets	\$ 19,233
Non-Cash Items Related to Operations Included in Net Assets:	
Depreciation	26,670
Gain on Sale of Investments	(2,825)
Unrealized Loss on Investments	2,575
Cash Flows from Operating Activities:	
Change in Prepaid Expenses	(8,083)
Change in Accounts Payable & Accrued Expenses	(861)
Change in Payroll Related Liabilities	(3,346)
Change in Deposits Held in Trust	<u>(3,103)</u>
Net Cash Provided by Operating Activities	30,260
Cash Flows from Investing Activities:	
Purchase of Motor Vehicle	(18,048)
Purchase of Building Improvements	(20,830)
Proceeds from Sale of Investments	17,006
Return of Capital - Securities	21
Purchase of Investments	(3,151)
Loan provided to Employee	<u>(10,750)</u>
Net Cash (Used in) Investing Activities	(35,752)
Cash Flows from Financing Activities:	
Mortgage Principal Payments	<u>(7,289)</u>
Net Cash (Used in) Financing Activities	<u>(7,289)</u>
Net Change in Cash	(12,781)
Cash - Beginning of Year	<u>188,542</u>
Cash - End of Year	\$ <u><u>175,761</u></u>
Supplemental disclosure of cash flow information:	
Cash paid during the year for Interest	\$ 12,586

See accompanying Notes and Independent Accountant's Review Report.

