

**AMERICA SCORES NEW ENGLAND, INCORPORATED**

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

AUGUST 31, 2019 AND 2018

**AMERICA SCORES NEW ENGLAND, INCORPORATED**

**FINANCIAL STATEMENTS**

**AUGUST 31, 2019 AND 2018**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
**America SCORES New England, Incorporated**  
Jamaica Plain, Massachusetts

We have audited the accompanying financial statements of America SCORES New England, Incorporated (a Massachusetts nonprofit organization), which comprise the statements of financial position as of August 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility 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; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of America SCORES New England, Incorporated, as of August 31, 2019 and 2018, 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.

***Barrett & Scibelli, LLC***

Winchester, Massachusetts

March 16, 2020

**AMERICA SCORES NEW ENGLAND, INCORPORATED**

**STATEMENTS OF FINANCIAL POSITION**

**AUGUST 31, 2019 AND 2018**

**ASSETS**

	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>Assets</b>		
Cash	\$ 612,557	\$ 430,569
Grants and contributions receivable	159,133	313,759
Pledges receivable	523,000	493,000
Prepaid expenses and other assets	32,830	24,433
Property and equipment, net	<u>10,717</u>	<u>9,239</u>
<b>Total assets</b>	<b><u>\$ 1,338,237</u></b>	<b><u>\$ 1,271,000</u></b>

**LIABILITIES AND NET ASSETS**

<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 98,963	\$ 63,364
Due to other affiliates	<u>10,000</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>108,963</u></b>	<b><u>63,364</u></b>
<b>Net assets</b>		
Without donor restrictions	480,357	368,911
With donor restrictions	<u>748,917</u>	<u>838,725</u>
<b>Total net assets</b>	<b><u>1,229,274</u></b>	<b><u>1,207,636</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 1,338,237</u></b>	<b><u>\$ 1,271,000</u></b>

*The accompanying notes are an integral part of the financial statements.*

AMERICA SCORES NEW ENGLAND, INCORPORATED

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED AUGUST 31, 2019 AND 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and support</b>						
Corporation and foundation contributions	\$ 748,966	\$ 143,000	\$ 891,966	\$ 867,908	\$ 243,000	\$ 1,110,908
Individual contributions	517,681	344,500	862,181	440,476	368,575	809,051
School fees	21,750	3,750	25,500	42,000	72,650	114,650
Donated goods and services	65,769	-	65,769	36,884	-	36,884
Government contracts	155,678	-	155,678	159,489	-	159,489
Interest income	5,999	-	5,999	930	-	930
Other income	80	-	80	2,033	-	2,033
Net assets released from restrictions	581,058	(581,058)	-	356,730	(356,730)	-
<b>Total support and revenue</b>	<b>2,096,981</b>	<b>(89,808)</b>	<b>2,007,173</b>	<b>1,906,450</b>	<b>327,495</b>	<b>2,233,945</b>
<b>Expenses</b>						
Program services						
Elementary school program	457,748	-	457,748	442,199	-	442,199
Middle school program	430,008	-	430,008	426,449	-	426,449
High school program	148,520	-	148,520	112,887	-	112,887
Soccer only program	77,437	-	77,437	116,756	-	116,756
Summer programs	123,585	-	123,585	119,550	-	119,550
Kindergarten to Grade 2 program	41,911	-	41,911	-	-	-
Other programs	36,006	-	36,006	24,030	-	24,030
<b>Total program services</b>	<b>1,315,215</b>	<b>-</b>	<b>1,315,215</b>	<b>1,241,871</b>	<b>-</b>	<b>1,241,871</b>
Supporting services						
Fundraising	437,031	-	437,031	410,670	-	410,670
General and administrative	233,289	-	233,289	207,221	-	207,221
<b>Total supporting services</b>	<b>670,320</b>	<b>-</b>	<b>670,320</b>	<b>617,891</b>	<b>-</b>	<b>617,891</b>
<b>Total expenses</b>	<b>1,985,535</b>	<b>-</b>	<b>1,985,535</b>	<b>1,859,762</b>	<b>-</b>	<b>1,859,762</b>
<b>Change in net assets</b>	<b>111,446</b>	<b>(89,808)</b>	<b>21,638</b>	<b>46,688</b>	<b>327,495</b>	<b>374,183</b>
<b>Net assets, beginning of year</b>	<b>368,911</b>	<b>838,725</b>	<b>1,207,636</b>	<b>322,223</b>	<b>511,230</b>	<b>833,453</b>
<b>Net assets, end of year</b>	<b>\$ 480,357</b>	<b>\$ 748,917</b>	<b>\$ 1,229,274</b>	<b>\$ 368,911</b>	<b>\$ 838,725</b>	<b>\$ 1,207,636</b>

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

AMERICA SCORES NEW ENGLAND, INCORPORATED

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED AUGUST 31, 2019

	Program Services							Supporting Services			Total
	Elementary School Program	Middle School Program	High School Program	Soccer Only Program	Summer Programs	Kindergarten to Grade 2 Program	Other Programs	Total Program Services	Fundraising	General and Administrative	
Salaries and wages	\$ 133,603	\$ 164,283	\$ 72,575	\$ 33,731	\$ 59,738	\$ 23,029	\$ 24,387	\$ 511,346	\$ 231,881	\$ 125,713	\$ 868,940
Payroll taxes and benefits	65,155	69,696	26,794	14,104	22,040	8,370	8,478	214,637	83,161	40,640	338,438
Accounting fees	-	-	-	-	-	-	-	-	-	13,000	13,000
Advertising	127	127	353	127	-	-	-	734	901	728	2,363
Affiliate fees	2,312	2,555	740	381	697	221	183	7,089	2,231	1,180	10,500
Bank charges	-	15	-	-	-	-	-	15	7,901	568	8,484
Board expenses	-	-	-	-	-	-	-	-	283	19	302
Conference and meetings	3,867	1,629	2,187	426	6	113	2	8,230	225	2,845	11,300
Consultants	1,335	5,900	-	467	500	98	-	8,300	14,725	6,800	29,825
Depreciation	681	704	218	94	192	64	66	2,019	632	345	2,996
Dues and subscriptions	534	812	184	82	160	54	200	2,026	2,354	1,027	5,407
Equipment rental and maintenance	744	778	232	82	215	71	60	2,182	697	376	3,255
Insurance	1,061	1,155	340	150	303	100	101	3,210	989	538	4,737
Office supplies	-	63	-	-	12	-	-	75	252	1,923	2,250
Payroll service fees	10,177	9,521	2,910	1,763	2,341	963	852	28,527	8,272	2,665	39,464
Postage and delivery	325	326	-	75	55	25	56	862	906	524	2,292
Printing and reproduction	150	28	10	4	8	3	3	206	1,332	69	1,607
Program expenses	74,505	67,273	28,180	9,391	25,983	3,266	123	208,721	-	23,907	232,628
Rent, utilities and maintenance	13,979	14,540	4,492	1,984	3,998	1,319	1,332	41,644	13,084	7,656	62,384
Special events expense	-	-	-	-	-	-	-	-	63,641	-	63,641
Teacher and coach stipends	144,805	86,392	8,742	13,758	6,400	3,928	-	264,025	-	-	264,025
Telecommunications	958	1,177	384	157	261	72	91	3,100	1,148	1,418	5,666
Travel and meals	3,430	3,034	179	661	676	215	72	8,267	2,416	1,348	12,031
<b>Total expenses</b>	<b>\$ 457,748</b>	<b>\$ 430,008</b>	<b>\$ 148,520</b>	<b>\$ 77,437</b>	<b>\$ 123,585</b>	<b>\$ 41,911</b>	<b>\$ 36,006</b>	<b>\$ 1,315,215</b>	<b>\$ 437,031</b>	<b>\$ 233,289</b>	<b>\$1,985,535</b>

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

AMERICA SCORES NEW ENGLAND, INCORPORATED

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED AUGUST 31, 2018

	Program Services						Supporting Services		Total	
	Elementary School Program	Middle School Program	High School Program	Soccer Only Program	Summer Programs	Other Programs	Total Program Services	Fundraising		General and Administrative
Salaries and wages	\$ 143,953	\$ 188,494	\$ 62,334	\$ 45,938	\$ 56,164	\$ 14,322	\$ 511,205	\$ 218,680	\$ 97,945	\$ 827,830
Payroll taxes and benefits	63,287	70,346	21,687	19,014	20,759	5,470	200,563	72,877	35,847	309,287
Accounting fees	-	-	-	-	-	-	-	-	12,500	12,500
Advertising	966	697	13	539	14	4	2,233	598	655	3,486
Affiliate fees	2,409	2,517	662	866	674	154	7,282	2,061	1,157	10,500
Bank charges	5	154	1	2	1	-	163	8,281	923	9,367
Board expenses	-	-	-	-	-	-	-	378	82	460
Conference and meetings	1,282	967	191	665	33	-	3,138	655	1,208	5,001
Consultants	1,744	63	-	62	360	-	2,229	9,874	10,662	22,765
Depreciation	484	506	133	174	135	31	1,463	414	128	2,005
Dues and subscriptions	499	736	113	204	115	817	2,484	1,807	3,011	7,302
Equipment rental and maintenance	912	954	251	328	255	58	2,758	940	438	4,136
Insurance	909	949	249	327	254	58	2,746	1,596	410	4,752
Office supplies	145	115	10	75	11	2	358	622	2,086	3,066
Payroll service fees	6,204	6,074	1,601	1,869	1,924	382	18,054	3,826	-	21,880
Postage and delivery	270	191	-	154	70	154	839	824	608	2,271
Printing and reproduction	-	-	-	-	-	-	-	5,154	97	5,251
Program expenses	61,781	60,558	15,602	13,791	15,613	39	167,384	39	30,791	198,214
Rent, utilities and maintenance	13,956	14,780	3,962	5,036	4,118	930	42,782	12,439	6,879	62,100
Special events expense	1,651	86	-	-	-	-	1,737	62,258	-	63,995
Teacher and coach stipends	136,346	73,554	4,656	25,680	17,864	-	258,100	-	-	258,100
Telecommunications	1,531	2,030	540	561	429	98	5,189	1,610	866	7,665
Travel and meals	3,865	2,678	882	1,471	757	1,511	11,164	5,737	928	17,829
<b>Total expenses</b>	<b>\$ 442,199</b>	<b>\$ 426,449</b>	<b>\$ 112,887</b>	<b>\$ 116,756</b>	<b>\$ 119,550</b>	<b>\$ 24,030</b>	<b>\$ 1,241,871</b>	<b>\$ 410,670</b>	<b>\$ 207,221</b>	<b>\$ 1,859,762</b>

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



**AMERICA SCORES NEW ENGLAND, INCORPORATED**

**STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED AUGUST 31, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 21,638	\$ 374,183
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,996	2,005
Changes in:		
Grants and contributions receivable	154,626	(251,469)
Pledges receivable	(30,000)	(9,250)
Prepaid expenses and other assets	(8,397)	16,063
Accounts payable and accrued expenses	35,599	(36,567)
Due to other affiliates	10,000	-
	<b>186,462</b>	<b>94,965</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(5,206)	(8,254)
Sale of property and equipment	732	-
	<b>(4,474)</b>	<b>(8,254)</b>
<b>Net increase in cash</b>	<b>181,988</b>	<b>86,711</b>
<b>Cash, beginning of year</b>	<b>430,569</b>	<b>343,858</b>
<b>Cash, end of year</b>	<b>\$ 612,557</b>	<b>\$ 430,569</b>

*The accompanying notes are an integral part of the financial statements.*

# AMERICA SCORES NEW ENGLAND, INCORPORATED

## NOTES TO FINANCIAL STATEMENTS

### NOTE A - ORGANIZATION

America SCORES New England, Incorporated (the “Organization”) is a Massachusetts nonprofit organization which incorporated in 1999.

The Organization's mission is to inspire and empower urban youth to lead healthy lives, be engaged students and have the confidence and character to make a difference in the world. The Organization partners with the Boston public schools to provide high-quality, team-based after-school programs that integrate soccer, academics, and the arts.

Under an affiliate agreement with America SCORES, the Organization has the right to use service marks and program materials and to participate in all America SCORES national program activities, tournaments, publications, and events (See Note I).

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of 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. Accordingly, revenues and support are recognized when earned and expenses are recognized when incurred.

#### **Change in Accounting Principle**

During the year ended August 31, 2019, the Organization adopted Accounting Standards Update (ASU) Number 2016-14 - *Presentation of Financial Statements of Not-for-Profit Entities*. This new standard is intended to improve the net asset classification requirements and the information presented in the financial statements and related disclosures. This new standard did not have a material effect on the presentation of the financial statements. This new standard changes the net asset classification and requires disclosures for information about liquidity and the availability of resources and expenses. The new standard has been applied retrospectively to the years presented in these financial statements.

The net asset reclassification is a result of the adoption of this new standard as of August 31, 2018:

<b>Net Asset Class</b>	<b>As Originally Presented</b>	<b>After Adoption of ASU 2016-14</b>
Unrestricted net assets	\$ 368,911	\$ -
Temporarily restricted net assets	838,725	-
Net assets without donor restrictions	-	368,911
Net assets with donor restrictions	-	838,725
	<u>\$1,207,636</u>	<u>\$1,207,636</u>

# AMERICA SCORES NEW ENGLAND, INCORPORATED

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### **Future New Accounting Pronouncements**

The Financial Accounting Standards Board issued ASU Number 2016-02 – *Leases*, and additional Accounting Standards Updates containing modifications to this standard. The standard is effective for periods beginning after December 15, 2020 for non-public entities. Implementation of this standard will require lessees to recognize a right to use asset and a lease liability, for all leases with terms longer than 12 months, on their statement of financial position. Management does not believe that this standard will have a material effect on the financial statements.

#### **Estimates**

The presentation 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **Grants, Contributions and Pledges Receivable**

Unconditional promises to give are included in the financial statements as pledges receivable, subject to a discount, if applicable, and recorded in the appropriate net asset category, at the time a donor makes a promise that is, in substance, unconditional.

The Organization evaluates its grants, contributions, and pledges receivable for collectability on a periodic basis and establishes an allowance based on prior experience of write-offs and collections and current credit conditions. As of August 31, 2019 and 2018, the Organization considered its grants, contributions and pledges receivable to be fully collectible. Accordingly, no allowance for uncollectible amounts has been recorded.

#### **Property and Equipment, Net**

Property and equipment is recorded at cost if purchased or at estimated fair value at the date of gift if donated, net of accumulated depreciation. The Organization's policy is to capitalize property and equipment costs of \$1,000 or more. Major additions and improvements are capitalized while maintenance and repairs, which do not extend the lives of the respective assets, are expensed in the year incurred. When property and equipment is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statements of activities for the respective period. Depreciation is computed using the straight-line method over the estimated useful life of the related asset.

#### **Net Assets**

The Organization reports information regarding its financial position and activities according to the following classes of net assets based on the existence or absence of donor-imposed restrictions:

**Net assets without donor restrictions** are resources that are not restricted by donors.

# AMERICA SCORES NEW ENGLAND, INCORPORATED

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

#### **Net Assets - Continued**

**Net assets with donor restrictions** represent those resources that have been restricted by donors for specific purposes or for specific time periods. Net assets with donor restrictions may also represent resources subject to donor-imposed restrictions that they be maintained permanently by the Organization. Net assets released from restrictions represent the satisfaction of the donor restricted purposes or the passage of time restrictions.

#### **Revenue and Support**

The Organization receives revenues and support from contributions, grants, special events and government contracts.

Contributions received are recorded as without donor restriction or with donor restriction support depending on the existence and or the nature of any donor restrictions. Unrestricted contributions, including unconditional promises to give, are recognized as support in the period received or unconditionally pledged. Conditional promises to give are recognized as contributions when substantially all conditions are met. Contributions of noncash assets are reported at their estimated fair value. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Contributions restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are satisfied or expire in the same year in which the contributions are recognized. Special event revenue is recognized when the event has taken place.

Contributions of donated services that create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period in which the services are provided.

Revenue from cost-reimbursement grants is recognized when the Organization has expended the program costs in accordance with the grant agreements. Revenue from this source is subject to audit and possible adjustments by the funding agencies. The effects of any such adjustments are recorded when reasonably determinable. Management believes that the effect of possible audit adjustments, if any, will not have a material effect on the accompanying financial statements.

#### **Income Taxes**

The Organization is exempt from federal income taxes as provided under Internal Revenue Code (IRC) Section 501(c)(3), and is not classified as a private foundation. Contributions made to the Organization are deductible by donors as provided in IRC Section 170.

## AMERICA SCORES NEW ENGLAND, INCORPORATED

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

#### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

##### **Income Taxes - Continued**

Accounting principles generally accepted in the United States of America prescribe the threshold a tax position is required to meet before being recognized in the financial statements. A liability for uncertain tax positions is recognized and recorded as a component of current income tax expense for differences between financial and income tax reporting positions which do not meet this threshold. Any interest and penalties related to uncertain tax positions are recorded as a component of income tax expense. The Organization has reviewed its tax positions that remain subject to examination by tax authorities and has not identified any material uncertain tax positions and thus has not recorded any liability at August 31, 2019 or 2018.

The Organization's federal and state tax returns are subject to possible examination by taxing authorities until the expiration of the related returns statutes. In general, the federal and state tax returns have a three-year statute of limitation from the date the tax returns were due or filed, whichever is later. The Organization is no longer subject to examinations by tax authorities for years prior to 2015, and has no open examinations as of the date of these financial statements.

##### **Functional Allocation of Expenses**

The costs for providing for various programs and supporting services have been summarized on a functional basis in the statements of activities and the statements of functional expenses. Accordingly, certain costs have been allocated by management among the programs and supporting services benefited.

##### **Advertising**

The Organization expenses advertising costs as they are incurred. Advertising costs were \$2,363 and \$3,486 for the years ended August 31, 2019 and 2018, respectively.

##### **Reclassifications**

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. These reclassifications had no impact on the previously reported change in net assets or net asset balances.

#### NOTE C - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization monitors its cash position on a regular basis to ensure that adequate funds are available to meet operating expenses over a 12-month period. Management believes grants, contributions and pledges receivables are fully collectible and will provide funds for operating expenses. Management believes the Organization has no liquidity issues.

**AMERICA SCORES NEW ENGLAND, INCORPORATED**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**NOTE C - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS - CONTINUED**

The following reflects the Organization's financial assets as of August 31, 2019:

Financial assets at year-end:

Cash	\$ 612,557
Grants, contributions and pledges receivable	<u>682,133</u>
Total cash and receivables	1,294,690
Less time restricted support greater than one year	<u>(216,834)</u>

Financial assets available to meet general operating

expenses within one year: \$ 1,077,856

**NOTE D – PLEDGES RECEIVABLE**

Pledges receivable are due as follows as of August 31:

	<u>2019</u>	<u>2018</u>
Due in one year	\$ 339,500	\$ 299,500
Due in two years	178,500	161,000
Due in three years	<u>5,000</u>	<u>32,500</u>
	<u>\$ 523,000</u>	<u>\$ 493,000</u>

**NOTE E – PROPERTY AND EQUIPMENT, NET**

Property and equipment, net, consisted of the following at August 31:

	<u>2019</u>	<u>2018</u>
Furniture and fixtures	\$ 51,713	\$ 47,506
Leasehold improvements	<u>15,000</u>	<u>15,000</u>
	66,713	62,506
Less accumulated depreciation	<u>55,996</u>	<u>53,267</u>
	<u>\$ 10,717</u>	<u>\$ 9,239</u>

# AMERICA SCORES NEW ENGLAND, INCORPORATED

## NOTES TO FINANCIAL STATEMENTS - CONTINUED

### NOTE F – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of August 31, 2019 and 2018 consist of the following:

	<u>2019</u>	<u>2018</u>
Soccer program	\$ -	\$ 10,000
Time/purpose restricted	<u>748,917</u>	<u>828,725</u>
	<u>\$ 748,917</u>	<u>\$ 838,725</u>

During the years ended August 31, 2019 and 2018, net assets with donor restrictions were released from restrictions by incurring expenses satisfying the purpose and/or time restriction specified by donors as follows:

	<u>2019</u>	<u>2018</u>
Soccer program	\$ 10,000	\$ 10,000
Time restricted	<u>571,058</u>	<u>346,730</u>
	<u>\$ 581,058</u>	<u>\$ 356,730</u>

### NOTE G – LEASE COMMITMENTS

The Organization leases office facilities in Jamaica Plain, Massachusetts under a non-cancellable operating lease expiring in July 2021. In addition to the base rent, the lease requires additional rent for the Organization's proportionate share of the real estate taxes and operating expenses.

Rent expense, utilities and maintenance, in the accompanying financial statements, was \$62,384 and \$62,100 for the years ended August 31, 2019 and 2018, respectively.

Additionally, the Organization leases office equipment under a non-cancellable operating lease expiring in December 2017 at \$399 per month and October 2020 at \$260 per month. The expenses are included in equipment rental and maintenance in the accompanying financial statements.

Future minimum lease rentals for the year ending August 31 are as follows:

2020	\$ 56,050
2021	<u>49,481</u>
Total	<u>\$ 105,531</u>

### NOTE H – DONATED GOODS AND SERVICES

The value of donated goods and services are reported in the accompanying financial statements as donated goods and services revenue with offsetting expenses included in program expenses. For the years ended August 31, 2019 and 2018, donated goods and services are as follows:

	<u>2019</u>	<u>2018</u>
Soccer equipment	\$ 41,027	\$ 12,363
Legal services	23,907	24,521
Support services	<u>835</u>	<u>-</u>
	<u>\$ 65,769</u>	<u>\$ 36,884</u>

## **AMERICA SCORES NEW ENGLAND, INCORPORATED**

### **NOTES TO FINANCIAL STATEMENTS - CONTINUED**

#### **NOTE I – RETIREMENT PLAN**

The Organization has a 401(k) retirement plan covering all eligible employees. The Organization makes matching contributions up to 4% of eligible compensation. Total matching contributions for the years ended August 31, 2019 and 2018 totaled \$32,691 and \$30,617, respectively, and are included on the statements of functional expenses in payroll taxes and benefits.

#### **NOTE J - RELATED PARTY TRANSACTIONS**

The Organization is charged an annual license fee by America SCORES (see Note A), currently based on the number of students served. Total fees to America SCORES was \$10,500 for the years ended August 31, 2019 and 2018.

During the years ended August 31, 2019 and 2018, the Organization received contributions of \$620,128, or 31% of total support and revenue, and \$587,205, or 26% of total support and revenue, respectively, from members of the Board of Directors.

During the years ended August 31, 2019 and 2018, 73% and 55%, respectively, of grants and contributions receivable and pledges receivable were due from members of the Board of Directors.

#### **NOTE K - CONCENTRATIONS**

The Organization maintains its cash in accounts that are federally insured. At times, the balances in the insured accounts may exceed federal limits. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risks.

#### **NOTE L - CONTINGENCIES**

Periodically, the Organization may be involved in various claims and legal actions arising in the normal course of operations. In the opinion of Management, based upon current facts and circumstances and on consultation with legal counsel, losses, if any, from those matters, are covered by insurance or are immaterial to the financial position of the Organization.

#### **NOTE M - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 16, 2020, the date the financial statements were approved and authorized for issuance by management, and determined that, other than as disclosed herein, there are no subsequent events that would require recognition or disclosure in the notes to the financial statements.