

**THREE SQUARES NEW ENGLAND, INC.**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED  
DECEMBER 31, 2016 AND 2015**

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**NEWBURG & COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

To the Board of Directors  
Three Squares New England, Inc. (the "Organization")  
Dedham, Massachusetts

We have reviewed the accompanying financial statements of Three Squares New England, Inc. (a non-profit organization), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's 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'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.

**Accountants' Responsibility**

Our responsibility is to conduct the review 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 accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Accountants' Conclusion**

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

Certified Public Accountants  
Waltham, Massachusetts  
January 31, 2017



**THREE SQUARES NEW ENGLAND, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2016 AND 2015**

	<b>ASSETS</b>		<u>2016</u>		<u>2015</u>
ASSETS					
Cash		\$	58,267	\$	46,132
Website development costs, net			<u>6,121</u>		<u>6,126</u>
<b>TOTAL ASSETS</b>		<b>\$</b>	<b><u>64,388</u></b>	<b>\$</b>	<b><u>52,258</u></b>

<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Credit card payable		\$	2,646	\$	-
<b>UNRESTRICTED NET ASSETS</b>			<u>61,742</u>		<u>52,258</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>\$</b>	<b><u>64,388</u></b>	<b>\$</b>	<b><u>52,258</u></b>

*See accompanying independent accountants' review report and notes to the financial statements.*

**THREE SQUARES NEW ENGLAND, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<b>2016 Unrestricted and Total</b>	<b>2015 Unrestricted and Total</b>
<b>REVENUES AND SUPPORT</b>		
Contributions	<b>\$ 484,562</b>	\$ 313,658
In-kind contributions	<b>11,844</b>	7,910
	<b>496,406</b>	321,568
<b>EXPENSES</b>		
Program services	<b>484,506</b>	281,312
Management and general	<b>2,416</b>	-
	<b>486,922</b>	281,312
<b>INCREASE IN NET ASSETS</b>	<b>9,484</b>	40,256
<b>NET ASSETS, beginning</b>	<b>52,258</b>	12,002
<b>NET ASSETS, ending</b>	<b>\$ 61,742</b>	<b>\$ 52,258</b>

*See accompanying independent accountants' review report and notes to the financial statements.*

**THREE SQUARES NEW ENGLAND, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	2016				2015
	Program Services	Management and General	Fundraising	Total	Total
EXPENSES					
Participant assistance	\$ 370,710	\$ -	\$ -	\$ 370,710	\$ 213,050
Salaries	20,397	2,266	-	22,663	-
Payment service fee	19,642	-	-	19,642	14,915
Rider jerseys	15,469	-	-	15,469	5,808
Miscellaneous	9,608	-	-	9,608	1,642
Event meals	9,344	-	-	9,344	5,410
Event facilities	8,601	-	-	8,601	2,500
Ride expense	6,969	-	-	6,969	4,804
Marketing	6,003	-	-	6,003	21,236
Insurance	3,942	-	-	3,942	1,917
Professional fees	3,765	-	-	3,765	3,600
Amortization	2,679	-	-	2,679	1,200
Stationery and printing	2,417	-	-	2,417	1,948
Memberships	2,181	-	-	2,181	-
Payroll taxes	1,354	150	-	1,504	-
Ride logistics	1,402	-	-	1,402	2,062
Shipping	23	-	-	23	121
Conferences	-	-	-	-	521
Supplies	-	-	-	-	539
Bank fees	-	-	-	-	39
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	<u>\$ 484,506</u>	<u>\$ 2,416</u>	<u>\$ -</u>	<u>\$ 486,922</u>	<u>\$ 281,312</u>

*See accompanying independent accountants' review report and notes to the financial statements.*

**THREE SQUARES NEW ENGLAND, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
OPERATING ACTIVITIES		
Increase in net assets	\$ 9,484	\$ 40,256
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Amortization	2,679	1,200
In-kind contributions	(11,844)	(7,910)
Event food	9,344	5,410
Event facilities	2,500	2,500
Increase in operating liabilities:		
Credit card payable	<u>2,646</u>	<u>-</u>
Net cash provided by operating activities	14,809	41,456
INVESTING ACTIVITIES		
Website development costs	<u>(2,674)</u>	<u>(5,619)</u>
NET INCREASE IN CASH	12,135	35,837
CASH, beginning	<u>46,132</u>	<u>10,295</u>
CASH, ending	<u>\$ 58,267</u>	<u>\$ 46,132</u>

*See accompanying independent accountants' review report and notes to the financial statements.*

**THREE SQUARES NEW ENGLAND, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016 AND 2015**

NOTE 1 – NATURE OF ACTIVITIES AND BASIS FOR PRESENTATION:

**Nature of Activities:**

Three Squares New England, Inc. (the "Organization") was incorporated on January 27, 2014, in Dedham, Massachusetts, with a primary mission to raise awareness and funds for New England based hunger relief organizations. The Organization holds an annual bike ride event known as the "Ride for Food" and an Annual Dinner known as the "Food Rescue Dinner" to raise hunger awareness and support its initiatives. Proceeds from the annual events are distributed to local non-profit organizations that provide assistance to those in need.

**Basis of Accounting:**

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) on the accrual basis of accounting. Under this method, expenses are recorded when incurred and revenues and support are recorded when earned.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

**Use of Estimates:**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates are based on management's best knowledge of current events, historical experience, and various other factors that are believed to be reasonable under current conditions. Therefore, actual results may differ from those estimates.

**Contributions:**

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted depending on the existence or nature of any donor restrictions in accordance with Accounting Standards Codification 958-605-45. There were no restrictions on the contributions received in 2016 and 2015, which are all included in unrestricted net assets.

**In-Kind Contributions:**

In-kind contributions are reflected as contributions at their fair value on the date of donation and are reported as unrestricted support unless stipulated otherwise by the donor. The Organization benefited from donated food and facilities which were valued at \$11,844 and \$7,910 for the years ended December 31, 2016 and 2015, respectively.

**Contributed Services:**

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with its annual event.

**Income Taxes:**

The Organization is a non-profit organization exempt from income taxes under Section 501(C)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. Management is not aware of any circumstances that would impair the original determination.

In the preparation of income tax returns, tax positions are taken based on interpretation of federal and state income tax laws for which the outcome is uncertain. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts ultimately due or owed. Changes in the tax exempt status may result from closing of the statute of limitations on tax returns, new legislation, clarification of existing legislation through government pronouncements, the courts, and through the examination process.



**THREE SQUARES NEW ENGLAND, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016 AND 2015**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

**Income Taxes (Continued):**

Management believes that all tax positions taken on its federal and state income tax returns would more likely than not be sustained upon examination. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no income tax audits for any tax periods in progress.

**Website Development Costs:**

The Organization is amortizing costs associated with the development of its website. The costs are being amortized using the straight-line method over a period of 36 months. Accumulated amortization at December 31, 2016 and 2015 is \$4,367 and \$1,688, respectively.

NOTE 3 – SUBSEQUENT EVENTS:

Transactions subsequent to December 31, 2016 have been evaluated through the date the financial statements were available to be issued, January 31, 2017. No events were noted that could have a material impact on the financial statements.