



# Berkowitz & Associates

Certified Public Accountants

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2011  
Review  
042358

To the Board of Trustees  
Thacher Island Association  
Rockport, Massachusetts

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

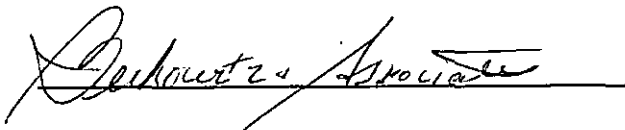
We have reviewed the accompanying statement of financial position of the Thacher Island Association (a nonprofit organization) as of December 31, 2011, and the related statements of activities and changes in fund balances and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association 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.

BERKOWITZ & ASSOCIATES, CPA'S



August 7, 2012

**THACHER ISLAND ASSOCIATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2011**

**ASSETS**

Cash, non-interest bearing	\$	45,388
Cash, interest-bearing		227,705
Investments, at cost		<u>150,581</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>423,674</u></b>

**FUND BALANCES**

Unrestricted	\$	283,069
Temporarily restricted		<u>140,605</u>
<b>TOTAL FUND BALANCES</b>	<b>\$</b>	<b><u>423,674</u></b>

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**THACHER ISLAND ASSOCIATION**  
**STATEMENT OF ACTIVITIES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED DECEMBER 31, 2011**

**REVENUES**

Grants	\$ 108,901
Contributions	23,749
Member assessments and activities	11,654
Fundraising activities, net	15,460
Investment income	<u>5,831</u>
 Total Revenues	 165,595

**EXPENSES**

Boat expenses	130,487
Repairs and maintenance	10,501
Island restoration	7,581
Office and administrative	8,321
Telephone and internet	734
Other miscellaneous expenses	<u>423</u>
 Total Expenses	 <u>158,047</u>

**EXCESS OF REVENUES OVER EXPENSES** **7,548**

FUND BALANCES, beginning of year 416,126

**FUND BALANCES, end of year** **\$ 423,674**

**THACHER ISLAND ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2011**

**OPERATING ACTIVITIES**

Excess of revenues over expenses	\$ 7,548
CASH AND CASH EQUIVALENTS, beginning of year	<u>269,382</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b><u><u>\$ 273,093</u></u></b>

**SUPPLEMENTAL INFORMATION**

Cash, non-interest bearing	\$ 45,388
Cash, interest-bearing	\$ 227,705

**THACHER ISLAND ASSOCIATION  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2011**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Association was established to preserve and maintain the historic integrity of Thacher Island, its lighthouses, buildings and other facilities.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reporting amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2 - TEMPORARILY RESTRICTED FUND BALANCES**

The Association receives grants and donations earmarked for specific purposes and separately maintains said funds accordingly. During the year ended December 31, 2010 the Association entered into grant agreements for \$125,000 for the purchase of a customized ferry boat. The purchase of the boat was completed in 2011 from restricted funds and the boat was donated to the Town of Rockport. The Association received approximately \$118,900 in temporarily restricted grants and donations during the year ended December 31, 2011 and total restricted fund balances, including interest income, were \$140,605 at yearend.