


**THE AMERICAN CITY COALITION, INC.**

**Financial Statements  
For the Year Ended  
December 31, 2013**

 **SANDBERG & CREEDEN, P.C.**  
*Certified Public Accountants*  
*331 Page Street*  
*Stoughton, MA 02072*

**THE AMERICAN CITY COALITION, INC.**

FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
December 31, 2013

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To the Board of Directors  
The American City Coalition, Inc.,  
Boston, Massachusetts

Independent Accountants' Compilation Report

We have compiled the accompanying statement of financial positions of The American City Coalition, Inc. as of December 31, 2013, and the related statements of activities and cash flows for the years then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

*Sandberg & Creeden P.C.*

SANDBERG & CREEDEN, P.C.  
Certified Public Accountants

Stoughton, Massachusetts  
September 25, 2014

THE AMERICAN CITY COALITION, INC..

STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED  
DECEMBER 31, 2013

**ASSETS**

<b><u>Assets</u></b>	
Cash and cash equivalent	\$ 114,018
Total current assets	<u>114,018</u>
<b><u>Total Assets</u></b>	<b><u>\$ 114,018</u></b>

**LIABILITIES AND NET ASSETS**

<b><u>Liabilities</u></b>	
Accounts payable and accrued expenses	\$ 13,141
	<u>13,141</u>
<b><u>Net Assets</u></b>	
Unrestricted net assets	\$ 100,877
Total net assets	<u>100,877</u>
<b><u>Total Liabilities and Net Assets</u></b>	<b><u>\$ 114,018</u></b>

See accompanying notes and Accountant's Compilation Report.



THE AMERICAN CITY COALITION, INC.

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED  
DECEMBER 31, 2013

<b><u>Support and Revenue</u></b>	
Contributions	\$ 730,000
Consulting fees	<u>12,753</u>
<b><u>Total Support and Revenue</u></b>	742,753
<b><u>Expenses</u></b>	
Program expenses	541,455
General and administrative expenses	67,994
Fundraising expenses	<u>25,720</u>
<b><u>Total Expenses</u></b>	<u>635,169</u>
<b><u>Change in Net Assets</u></b>	107,584
<b><u>Net Assets - Beginning of Year</u></b>	<u>(6,707)</u>
<b><u>Net Assets - End of Year</u></b>	<u>\$ 100,877</u>

See accompanying notes and Accountant's Compilation Report.



**AMERICAN CITY COALITION, INC.**

STATEMENT OF FUNCTIONAL EXPENSES  
DECEMBER 31, 2013

	Program Services	General and Administrative	Fundraising	Total
Salary	\$ 222,013	\$ 21,062	\$ 21,062	\$ 264,137
Payroll taxes	14,285	1,067	1,067	16,419
Benefits	20,720	1,547	1,547	23,814
Total salary and related expenses	257,018	23,676	23,676	304,370
Administrative services		24,278		24,278
Advertising and marketing		140		140
Consultants	224,726			224,726
Dues and fees		1,081		1,081
Grants	16,500			16,500
Insurance	1,320	99	99	1,518
Meeting and conferences		727		727
Miscellaneous	550	660		1,210
Office expenses	3,036	5,207		8,243
Postage		1,085		1,085
Printing and publications	655			655
Professional fees		5,633		5,633
Rent	26,053	1,945	1,945	29,943
Staff development	1,644			1,644
Telephone & internet		1,058		1,058
Travel	9,953	2,405		12,358
	<u>\$ 541,455</u>	<u>\$ 67,994</u>	<u>\$ 25,720</u>	<u>\$ 635,169</u>

See accompanying notes and Independent Accountants Compilation Report.



**THE AMERICAN CITY COALITION, INC.**

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED  
DECEMBER 31, 2013

<b><u>Cash Flows From Operating Activities</u></b>	
Change in net assets	\$ 107,584
Adjustment to reconcile change in net assets to cash provided by operating activities:	
Increase (decrease) in:	
Accrued expenses	<u>(15,025)</u>
<b><u>Net Cash Provided (Used) by Operating Activities</u></b>	<u>92,559</u>
<b><u>Cash Flows From Investing Activities</u></b>	<u>0</u>
<b><u>Cash Flows From Financing Activities</u></b>	<u>0</u>
<b><u>Increase Cash and Cash Equivalents</u></b>	92,559
<b><u>Cash and Cash Equivalents - Beginning of Year</u></b>	<u>21,459</u>
<b><u>Cash and Cash Equivalents - End of Year</u></b>	<u>\$ 114,018</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>	
Interest paid	<u>\$ 0</u>

See accompanying notes and Accountant's Compilation Report.



## THE AMERICAN CITY COALITION, INC.

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2013

#### **Note 1. Organization**

The American City Coalition, Inc. was organized on February 23, 1994 in the Commonwealth of Massachusetts as a private foundation. The stated purpose of the Organization is to serve as a catalyst for revitalization in distress inner city neighborhoods by:

- Facilitating the development of mixed income housing;
- Attracting private enterprises;

Partnering with community based individuals and organization, and local, state and federal governments to focus resources on a targeted area and remedy major risk factors such as poor housing, poor education, and poor economic opportunities;

- Provide technical assistance to private, public, and nonprofit entities engaged in work that serves provision of subsidized housing, residential services, and neighborhood revitalization.

#### **Note 2. Summary of Significant Accounting Policies**

a. Standards of Accounting and Reporting

The Organization follows the standards of accounting and financial reporting as described in the American Institute of Certified Public Accountants' Audit and Accounting Guide for "Not-for-Profit Organizations."

b. Financial Statement Presentation

The Organization presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. Accordingly, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. A description of the three net asset categories follows:

Unrestricted - Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time. No temporarily restricted assets were received or held during 2013 and accordingly, these financial statements do not reflect any activity related to this class of net assets for 2013.





THE AMERICAN CITY COALITION, INC.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2013

(Continued)

**Note 2. Summary of Accounting Policies** (Continued)

b. Financial Statement Presentation (Continued)

Permanently Restricted - Net assets subject to donor-imposed restrictions that they be maintained permanently by the organization. No permanently restricted assets were received or held during 2013 and accordingly, these financial statements do not reflect any activity related to this class of net assets for 2013.

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, The American City Coalition, Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

d. Promises To Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

e. Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restrictions is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

f. Allocated Expenses

Expenses by function have been allocated among program and supporting service classifications directly or on the basis of time records and on estimates made by the Organization's management.

g. Use of 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 the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.



**THE AMERICAN CITY COALITION, INC.**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2013

(Continued)

**Note 3. Tax Status**

The American City Coalition, Inc. has been granted exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code as a private operating foundation under section 4942(j)(3). The code imposes an excise tax of 2% (1% if certain criteria are met) on net investment income, including realized gains, as defined by the IRC of private foundations. Excise tax expense for the year ended December 31, 2013 was \$0. The Organization notified the Internal Revenue Service of their intent to terminate their private foundation status under section 507(b)(1)(B). As approved by the Internal Revenue Service in their letter dated June 10, 2014, the Organization is operating as an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi) of the code during the 60 month period beginning January 1, 2015.

Unrelated business income, of which the Organization had none for the year ending June 30, 2013, would be subject to Federal and State taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

Accounting principles generally accepted in the United States of America require the Organization management to evaluate tax positions taken by the Organization and recognize a tax liability (or assets) if it has taken an uncertain position that more likely would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken and has conclude that as of December 31, 2013, 2012 and 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The tax returns are subject to routine audits by taxing jurisdictions, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for the years prior to 2010.

**Note 4. Uninsured Cash Balances**

The Organization maintains its cash balances at a local financial institution. At December 31, 2013 the Organization's cash balance was fully insured.

**Note 5. Occupancy**

The Organization rents space from a company owned by a director as a tenant at will at a monthly rate of \$2,495.

**Note 6. Pension Plan**

The Organization offers a SIMPLE IRA plan available to all employees after one full year of employment. Through this Plan, each pay period eligible employees may make contributions from their salaries on a pre-tax basis, up to the maximum annual amount permitted by applicable law. The Organization provides a matching contribution equal to 4% of the employee's annual salary. During 2013, the Organization contributed \$4,558 to the Plan.



**THE AMERICAN CITY COALITION, INC.**

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2013

**Note 7. Related Party Transactions**

The Organization receives the use of operating space and administrative support services at an estimated cost reimbursable basis. A Director of American City Coalition who has also been significant donor holds an ownership interest in that company. Expenses incurred for 2013 total the following:

Rent	\$ 29,943
Administrative Support	24,278

**Note 8. Subsequent Event**

The Organization has evaluated events through September 26, 2014 the date the financial statements were available to be issued.

There was no subsequent events to be disclosed based on this evaluation.

