

2010  
Review  

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006049

**COOPERATIVE METROPOLITAN  
MINISTRIES, INC.**

Financial Statements  
and  
Accountants' Report

June 30, 2010



**Daniel Dennis & Company LLP**  
*Certified Public Accountants*

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**Cooperative Metropolitan Ministries, Inc.**

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2010  
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**Daniel Dennis & Company LLP**

*Certified Public Accountants*

The Board of Directors  
**Cooperative Metropolitan Ministries, Inc.**

***Independent Accountants' Report***

We have reviewed the accompanying statement of financial position of Cooperative Metropolitan Ministries, Inc., (a non-profit corporation) as of June 30, 2010 and related statements of activities and cash flows for the year then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Cooperative Metropolitan Ministries, Inc.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

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.

*Daniel Dennis & Company LLP*

*November 10, 2010*

**Cooperative Metropolitan Ministries, Inc.**  
Statement of Financial Position  
June 30, 2010

<i>Assets</i>	
<i>Current Assets</i>	
Cash	\$ 35,951
Accounts receivable	<u>796</u>
Total current assets	<u>36,747</u>
 <i>Fixed Assets</i>	
Equipment	25,596
Less: Accumulated depreciation	<u>19,596</u>
Total fixed assets	<u>6,000</u>
 <i>Other Assets</i>	
Restricted cash	<u>23,653</u>
Total assets	<u>\$ 66,400</u>
 <i>Net Assets</i>	
 <i>Net Assets</i>	
Permanently restricted	\$ 20,650
Unrestricted	<u>45,750</u>
Total net assets	<u>\$ 66,400</u>

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

**Cooperative Metropolitan Ministries, Inc.**  
Statement of Activities  
For the Year Ended June 30, 2010

**Changes in unrestricted net assets**

*Revenue and Support*

Grants	\$ 51,551
Contributions	49,578
Special events revenue	5,813
Dividends and interest	153
Program income	<u>14,698</u>
Total revenue and support	<u>121,793</u>

*Operating Expenses*

Salaries	63,264
Payroll taxes and benefits	9,624
Rent	8,900
Accounting fees	4,699
Office supplies	3,764
Office equipment	1,266
Postage	3,468
Telephone	3,451
Insurance	2,074
Annual meeting	993
Program supplies and expense	16,360
Depreciation	2,000
Fund raising expense	1,265
Miscellaneous	<u>3,081</u>
Total operating expenses	<u>124,209</u>

Change in unrestricted net assets

(2,416)
<u>48,166</u>

Unrestricted net assets, July 1, 2009

Unrestricted net assets, June 30, 2010

<u>\$ 45,750</u>
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**Permanently restricted net assets**

Balance unchanged

<u>\$ 20,650</u>
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**Total net assets**

Total changes in net assets

(2,416)
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Total net assets, July 1, 2009

<u>68,816</u>
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Total net assets, June 30, 2010

<u>\$ 66,400</u>
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See accompanying notes to financial statements and accountants' review report

**Cooperative Metropolitan Ministries, Inc.**  
 Statement of Cash Flows  
 For the Year Ended June 30, 2010

<b>Operating Activities:</b>	
Change in net assets	\$ (2,416)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	2,000
Decrease in accounts payable	<u>(1,000)</u>
Net cash used by operating activities	<u>(1,416)</u>
<b>Investing Activities: None</b>	
<b>Financing Activities: None</b>	
Net decrease in cash	(1,416)
Cash, beginning of year	<u>37,367</u>
Cash, end of year	<u>\$ 35,951</u>

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

**Cooperative Metropolitan Ministries, Inc.**  
Notes to Financial Statements  
June 30, 2010

**1. The Organization**

Cooperative Metropolitan Ministries, Inc. (CMM) is a not-for-profit organization, established under the laws of the Commonwealth of Massachusetts with tax exempt status under section 501c(3) of the Internal Revenue Code. CMM was incorporated to provide technical assistance for members to help facilitate social action.

**2. Summary of Significant Account Policies**

*Basis of Accounting*

The CMM's financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

*Fixed Assets*

Equipment is capitalized and carried at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. CMM capitalizes assets with a useful life of greater than one year and a cost of greater than \$500.

*Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the financial statements. Actual results could differ from those estimates.

*Cash and Cash Equivalents*

CMM considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

*Contributions*

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 restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of revenue, expenses and changes in net assets as net assets released from restrictions. Temporarily restricted contributions received where related restrictions are met in the same reporting period are classified as unrestricted revenue.



**Cooperative Metropolitan Ministries, Inc.**  
Notes to Financial Statements - *Continued*  
June 30, 2010

2. *Summary of Significant Account Policies – Continued*

*Accounting for Planned Major Maintenance Activities*

CMM uses the direct expensing method to account for planned major maintenance activities, under which actual costs incurred are expensed directly when maintenance is performed.

*Financial Statement Presentation*

In accordance with GAAP, CMM is required to report information regarding its financial position and activities under three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

*Income Taxes*

CMM is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from state income taxes under Chapter 180 of the Massachusetts General Laws. Accounting standards require the evaluation of tax positions taken or expected to be taken in CMM's tax returns to determine whether the tax positions are *more-likely-than-not* of being sustained by the applicable tax authority. Tax positions not deemed to meet the *more-likely-than-not* threshold, along with accrued interest and penalties thereon, would be recorded as an expense in the current year financial statements. Management has evaluated the tax positions taken in its previously filed returns and those expected to be taken in its 2010 returns and believes they are *more-likely-than-not* of being sustained if examined by taxing authorities. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

*Fair Value of Financial Instruments*

The fair value of all reported assets and liabilities which represent financial instruments (none of which are held for trading purposes) approximate the carrying values of such amounts.

*Functional Expenses*

The costs of providing the program services and administration have been summarized on a functional basis. Accordingly, certain costs have been allocated based on direct charges and personnel time estimates.

*Subsequent Events*

CMM has evaluated subsequent events through November 10, 2010, which is the date the financial statements were available to be issued. No material subsequent events have occurred since June 30, 2010, that requires recognition or disclosure in this financial statement

**Cooperative Metropolitan Ministries**  
Notes to Financial Statements - *Continued*  
June 30, 2010

**3. Net Assets**

*Permanently Restricted*

CMM maintains permanently restricted net assets and has promoted public gifts with specific donor stipulations that the principal would be held inviolate and only the income used for programs and social services.

CMM does not distribute all cumulative net realized gains on permanently restricted net assets to protect the inviolate nature of the original corpus of permanently restricted gifts against potential market declines in the future. The cumulative net unrealized appreciation on investments is accounted for as unrestricted and is not available for distribution, except by the express action of the board of trustees of CMM.

**4. Lease Obligation**

CMM leases the office space on a tenant at will basis at a rate of \$742 per month. Rent expense was \$8,900 for the year ended June 30, 2010.

**5. Functional Expenses**

The breakdown of expenditures for the year ended June 30, 2010 is as follows:

<i>Description</i>	<i>Amount</i>	<i>Percentage</i>
Program services	\$ 108,077	87.0%
Management and general	11,610	9.3%
Fundraising	<u>4,522</u>	<u>3.6%</u>
Total	<u>\$ 124,209</u>	<u>100.0%</u>

**6. Credit Risk**

CMM maintains its cash and cash equivalents accounts at two financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Periodically, balances on deposit may exceed insured limits however, CMM has not experienced any losses on its accounts, and monitors the credit-worthiness of the financial institutions with which it conducts business. Management believes CMM is not exposed to any significant credit risk with respect to its cash balances.

**7. Restricted Cash**

Restricted cash at June 30, 2010 consists of permanently restricted contributions.