

CITIZENS FOR JUVENILE JUSTICE, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

CITIZENS FOR JUVENILE JUSTICE, INC.

FINANCIAL STATEMENTS

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To the Board of Directors
Citizens for Juvenile Justice, Inc.
Boston, MA

We have reviewed the Statements of Financial Position for the Citizens for Juvenile Justice, Inc. as of June 30, 2014 and the related Statements of Activities and Cash Flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company 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 taken 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 generally accepted accounting principles in the United States of America.

Matrix Financial LLC
February 25, 2015

CITIZENS FOR JUVENILE JUSTICE, INC.
Statement of Financial Position
For the Year Ending June 30, 2014

	<u>2014</u>
Assets	
Cash	\$ 158,836
Security Deposit	8,012
Investments	<u>848,768</u>
Total Assets	<u><u>1,015,616</u></u>
 Net Assets	
Unrestricted Net Assets	<u>1,015,616</u>
Net Assets	<u>1,015,616</u>
Total Liabilities and Net Assets	<u><u>\$ 1,015,616</u></u>

See accompanying notes and accountant's report.

CITIZENS FOR JUVENILE JUSTICE, INC.
Statement of Activities
For the Year Ending June 30, 2014

	<u>2014</u>
Revenue	
Contribution Income	\$ 215,351
Grants	143,940
Special Events	11,154
Interest Income	<u>17,160</u>
Total Revenue	<u>387,605</u>
 Expenses	
Program Service	216,550
General and Administration	83,292
Fundraising	<u>28,760</u>
Total Expenses	<u>328,602</u>
 Excess or (Deficit) of Revenue Over Expenses	 <u>59,003</u>
 Net Assets, Beginning	 <u>956,613</u>
 Net Assets, Ending	 <u><u>\$ 1,015,616</u></u>

See accompanying notes and accountant's report.

CITIZENS FOR JUVENILE JUSTICE, INC.
Statement of Cash Flows
For the Year Ending June 30, 2014

	<u>2014</u>
Cash Flows from Operating Activities:	
Excess Revenue Over Expenses	\$ 59,003
Cash flows from investing activities	
Dividend Income	(16,884)
Transfer to investment	(100,000)
Security deposit	<u>(8,012)</u>
Net cash used by investing activities	<u>(124,896)</u>
Net increase in cash	(65,893)
Cash, beginning of year	<u>224,729</u>
Cash, end of year	<u><u>\$ 158,836</u></u>

See accompanying notes and accountant's report.

CITIZENS FOR JUVENILE JUSTICE, INC.

Statement of Functional Expenses

For the Year Ending June 30, 2014

	Program Service	General & Administration	Fundraising	2014 Total
Advertising	\$ 105	\$ 0	\$ 0	\$ 105
Bank Fees	0	36	0	36
Books/Video	367	0	0	367
Consulting Fees	2,925	13,542	0	16,467
Dues and Subscriptions	2,257	640	0	2,897
Employee Benefits	10,196	2,560	1,512	14,268
Equipment Rental	365	21	20	406
Filing Fees	0	792	0	792
Insurance Expenses	1,428	2,613	210	4,251
Moving Expenses	0	1,490	0	1,490
Office Expense	1,488	906	0	2,394
Payroll Service Fees	375	121	55	551
Postage	6	167	98	271
Printing	4,461	1,259	257	5,977
Processing Fees	0	0	234	234
Professional Fees	0	2,625	250	2,875
Rent	22,095	1,228	1,227	24,550
Salaries - Related	160,112	52,709	23,083	235,904
Staff Development	200	1,561	125	1,886
Supplies	1,941	144	868	2,953
Telecommunications	2,971	663	607	4,241
Travel	769	0	0	769
Utilities	3,864	215	214	4,293
Venue Rental	625	0	0	625
Total	<u>\$ 216,550</u>	<u>\$ 83,292</u>	<u>\$ 28,760</u>	<u>\$ 328,602</u>

CITIZENS FOR JUVENILE JUSTICE, INC.
Notes to the Financial Statements
For the Year Ended June 30, 2014

Note 1 - Organization

Citizens for Juvenile Justice was founded in 1994 by a diverse group of juvenile justice professionals concerned by erosion of the key underlying principles of the juvenile justice systems that children should be treated differently than adults and that their treatment should focus on rehabilitation. The Organization advocates for a fair and effective juvenile justice system in Massachusetts, designed to promote the healthy development of children and youth so they can grow up to live as responsible and productive adults in our communities. The Organization is supported by dues from individual and organizational members, charitable donations, and grants from foundations and corporations.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements are presented on the basis of unrestricted, temporarily restricted and permanently restricted net assets.

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. There are no temporarily restricted net assets at year-end.

Permanently restricted net assets subject to donor-imposed restrictions are maintained permanently by the Organization. No permanently restricted assets were received or held during 2014 and accordingly, these financial statements do not reflect any activity related to this class of net assets for 2014.

Cash and Cash Equivalents

For financial statement purposes, the Organization considers all highly liquid investments with maturity of three months or less when purchased, to be cash equivalents. The Organization maintains its cash and cash equivalents at financial institutions in accounts, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash or cash equivalents.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities as the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Contributions subject to donor-imposed stipulations that are met in the same reporting period are reported as unrestricted support. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.

CITIZENS FOR JUVENILE JUSTICE, INC.
Notes to the Financial Statements
For the Year Ended June 30, 2014

Note 2 - Summary of Significant Accounting Policies (continued)

Contributions - (continued)

Contributions of tangible assets are recognized at fair market value when received. The amounts that are reflected in the accompanying financial statements as in-kind support are offset by like amounts included in expenses or property and equipment.

Income Tax Status

The Organization is exempt from federal income taxes as an organization (not deemed a private foundation) formed for charitable purposes under Section 501 (c) (3) of the Internal Revenue Code. The Organization is also exempt from Massachusetts's income tax. Therefore, no income tax expense has been provided for.

Concentration of Credit Risk

The Organization's primary source of revenue is from contributions, grants and dues. The Organization maintains its cash balances in bank deposit accounts, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

Revenue Recognition

Contributions are recognized as revenue when they are received or unconditionally pledged. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted assets are reclassified to unrestricted net assets.

The Organization reports gifts of land, building and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash, or other assets that must be used to acquire long-lived assets, are reported as restricted support.

Note 3 - Operating Lease

The Organization leases office space at 101 Tremont Street, Boston, MA and 44 School Street, Suite 400, Boston, MA. Annual rent expense for the year ended June 30, 2014 is \$24,550.

CITIZENS FOR JUVENILE JUSTICE, INC.
Notes to the Financial Statements
For the Year Ended June 30, 2014

Note 4 - Contributions and Grants

The Organization received the following major contributions and grants:

Butler Family Fund	\$ 10,000
Elizabeth Cabot Lyman 2002 Charitable Lead Annuity Trust	5,000
Estate of Crossman W. Bollivar	14,971
Gardiner Howland Shaw Foundation	35,750
Justice Resource Institute	8,500
Key Program Inc.	8,250
Lael and Charles Chester	100,000
M & R Strategic Services	20,000
Mass Budget Policy Center	27,000
NFI Massachusetts	6,250
Proskauer Rose LLP	5,000
Robert F. Kennedy Children's Action Corps	8,500
TripAdvisor Charitable Fund	40,000
Windhover Foundation	5,000
Youth Advocacy Foundation	<u>26,456</u>
	\$ <u>320,677</u>

Note 5 - Subsequent Events

Subsequent events were evaluated through February 12, 2015 which is the financial statement issuance date. No matters were identified affecting the June 30, 2014 financial statements.

Note 6 - Uncertainty in Income Taxes

The Organization adopted the new standards for Accounting for Uncertainty in Income Taxes, which required the organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of June 30, 2014, the Organization determined that it had no tax positions that did not meet the "more likely than not" threshold of being sustained by the applicable tax authority. The Organization files tax and information returns in the United States Federal and Massachusetts state jurisdictions. The returns are generally subject to examination by tax authorities for the last three years.