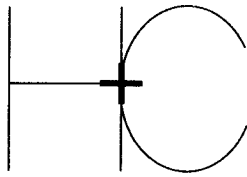


UPHAM'S CORNER
COMMUNITY CENTER, INC.
(D/B/A BIRD STREET COMMUNITY CENTER)
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

UPHAM'S CORNER COMMUNITY CENTER, INC.

TABLE OF CONTENTS

	<u>Page No.</u>
Independent Auditors' Report	1
Financial Statements:	
Statements of Financial Position	2
Statements of Changes in Net Assets	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7
Independent Auditors' Report on Supplementary Information	11
Supplementary Information:	
Supplemental Schedule of Expenses	12



One West Foster Street
Melrose, MA 02176.3852
Telephone 781.665.7100
Facsimile 781.665.9380

Certified Public Accountants

David J. McCaughin, CPA
John S. McNamara, CPA

Independent Auditors' Report

To the Board of Directors
Upham's Corner Community Center, Inc.
Dorchester, Massachusetts

We have audited the accompanying statements of financial position of Upham's Corner Community Center, Inc. as of June 30, 2010 and 2009, and the related statements of activities, changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of Upham's Corner Community Center, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U. S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Upham's Corner Community Center, Inc. as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with U. S. generally accepted accounting principles.

Hughes and Company, P.C.

HUGHES AND COMPANY, P.C.
Melrose, Massachusetts
November 9, 2010

UPHAM'S CORNER COMMUNITY CENTER, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2010 AND 2009

ASSETS

	<u>2010</u>	<u>2009</u>
Current Assets		
Cash	\$ 454,658	\$ 738,413
Grants and contracts receivable	291,593	110,085
Prepaid expenses	56,572	7,013
Unconditional promises to give	-	115,000
Total Current Assets	802,823	970,511
Property and Equipment		
Vehicles and equipment	185,785	185,785
Leasehold improvements	447,500	447,500
Less accumulated amortization and depreciation	(384,109)	(350,764)
Property and Equipment, Net	249,176	282,521
Total Assets	\$ 1,051,999	\$ 1,253,032

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable and accrued expenses	\$ 56,710	\$ 36,101
Deferred revenue	96,945	12,228
Total Current Liabilities	153,655	48,329
Net Assets		
Unrestricted - operating	490,418	608,582
Unrestricted - property and equipment	20,206	34,776
Temporarily restricted - capital asset support	228,970	247,745
Temporarily restricted - general support	158,750	313,600
Total Net Assets	898,344	1,204,703
Total Liabilities and Net Assets	\$ 1,051,999	\$ 1,253,032

The accompanying notes are an integral part of the financial statements

UPHAM'S CORNER COMMUNITY CENTER, INC.
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2010 AND 2009

	Unrestricted Net Assets Operating	Unrestricted Net Assets Property and Equipment	Temporarily Restricted Net Assets Capital Asset Support	Temporarily Restricted Net Assets General Support	Total Net Assets
Net Assets, June 30, 2008	\$ 719,553	\$ 49,346	\$ 266,520	\$ 171,000	\$ 1,206,419
Increase (Decrease) in Net Assets	<u>(110,971)</u>	<u>(14,570)</u>	<u>(18,775)</u>	<u>142,600</u>	<u>(1,716)</u>
Net Assets, June 30, 2009	608,582	34,776	247,745	313,600	1,204,703
Increase (Decrease) in Net Assets	<u>(118,164)</u>	<u>(14,570)</u>	<u>(18,775)</u>	<u>(154,850)</u>	<u>(306,359)</u>
Net Assets, June 30, 2010	<u>\$ 490,418</u>	<u>\$ 20,206</u>	<u>\$ 228,970</u>	<u>\$ 158,750</u>	<u>\$ 898,344</u>

The accompanying notes are an integral part of the financial statements

UPHAM'S CORNER COMMUNITY CENTER, INC.
 STATEMENTS OF ACTIVITIES
 YEARS ENDED JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Unrestricted Net Assets		
Public Support/Grants and Contracts		
Foundation and Corporate Support	\$ 273,869	\$ 400,721
United Way	96,835	107,620
City of Boston, In-Kind Support	120,000	120,000
Government Grants and Contracts	710,108	592,905
Community and Individual Support	37,943	31,289
Total Public Support	<u>1,238,755</u>	<u>1,252,535</u>
Revenues		
Program service fees	215,643	139,058
Interest	4,719	8,665
Total Revenues	<u>220,362</u>	<u>147,723</u>
Total Unrestricted Public Support and Revenues	<u>1,459,117</u>	<u>1,400,258</u>
Net assets released from restrictions		
Capital grants support	18,775	18,775
Foundation and other support	283,600	121,000
Total Unrestricted Support and Reclassifications	<u>1,761,492</u>	<u>1,540,033</u>
Expenses		
Management and general	210,505	189,169
Fundraising	63,773	56,933
Program services	1,619,948	1,419,472
Total Expenses	<u>1,894,226</u>	<u>1,665,574</u>
Increase (Decrease) in Unrestricted Net Assets	<u>(132,734)</u>	<u>(125,541)</u>
Temporarily Restricted Net Assets		
Foundation and other support	128,750	263,600
Net assets released from restrictions		
Satisfaction of program restrictions	(18,775)	(18,775)
Expiration of time restrictions	(283,600)	(121,000)
Increase (Decrease) in Temporarily Restricted Net Assets	<u>(173,625)</u>	<u>123,825</u>
Increase (Decrease) in Net Assets	<u>\$ (306,359)</u>	<u>\$ (1,716)</u>

The accompanying notes are an integral part of the financial statements

UPHAM'S CORNER COMMUNITY CENTER, INC.
 STATEMENTS OF FUNCTIONAL EXPENSES
 YEARS ENDED JUNE 30, 2010 and 2009

	Totals		Management and		Fundraising		Programs	
	2010	2009	2010	2009	2010	2009	2010	2009
Employee compensation and related expenses	\$ 1,052,976	\$ 859,002	\$ 105,298	\$ 92,906	\$ 21,060	\$ 13,174	\$ 926,619	\$ 752,922
Occupancy (including In-Kind rent of \$120,000 for both 2010 and 2009)	176,508	180,378	45,609	47,659	-	-	130,899	132,719
Other program/operating expenses	507,319	475,810	-	-	-	-	507,319	475,810
Administration, consulting, professional fees and other expenses	124,078	117,039	57,604	46,610	42,377	43,423	24,096	27,006
Depreciation of buildings and equipment	33,345	33,345	1,994	1,994	336	336	31,015	31,015
Total Expenses	\$1,894,226	\$1,665,574	\$ 210,505	\$ 189,169	\$ 63,773	\$ 56,933	\$1,619,948	\$1,419,472

The accompanying notes are an integral part of the financial statements

UPHAM'S CORNER COMMUNITY CENTER, INC.
STATEMENTS OF CASH FLOWS
JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows from Operating Activities		
Increase (Decrease) in Net Assets	\$ (306,359)	\$ (1,716)
Adjustments to reconcile changes in net assets to net cash from operating activities		
Depreciation	33,345	33,345
Changes in assets and liabilities		
(Increase) Decrease in:		
Grants and contracts receivable	(181,508)	(19,958)
Prepaid expenses	(49,559)	27,495
Unconditional promises to give	115,000	(15,000)
Increase (Decrease) in:		
Accounts payable and accrued expense	20,609	4,134
Deferred revenue	84,717	5,403
Net Cash Provided by (Used in) Operating Activities	<u>(283,755)</u>	<u>33,703</u>
Net Increase (Decrease) in Cash	(283,755)	33,703
Cash, Beginning	<u>738,413</u>	<u>704,710</u>
Cash, Ending	<u>\$ 454,658</u>	<u>\$ 738,413</u>
Supplemental Disclosures of Cash Flows Information		
Cash paid during the year for		
Interest	<u>\$ -</u>	<u>\$ -</u>
Income taxes	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

UPHAM'S CORNER COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

The Upham's Corner Community Center, Inc. (the "Organization") is a not-for-profit corporation located in the Upham's Corner area of Boston, Massachusetts. The Organization was organized under Chapter 180 of the Massachusetts General Laws to provide the community with athletic, recreational, social and educational services.

The Organization is supported primarily through donor contributions, government grants and contracts, program service fees and the United Way. Approximately 6% and 7% of the Organization's support for the years ended June 30, 2010 and 2009, respectively, came from allocations from the United Way.

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis of accounting, whereby assets, liabilities, revenue and expenses were recognized and recorded when earned or incurred.

Financial Statement Presentation

In accordance with Financial Accounting Standards for Non-Profit Organizations, the Organization is required to report 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. In addition, the Organization is required to present a statement of cash flows.

Contributions

In accordance with Financial Accounting Standards for Non-Profit Organizations, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Contributions which are designated by the donor for use in a future period or for specific purposes are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time or use of the funds for the specified purpose.

UPHAM'S CORNER COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

Note 1 - Summary of Significant Accounting Policies (continued)

Recognition of Donor Restricted Contributions

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Use of Estimates and Assumptions in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles 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. Actual results could differ from those estimates.

Promises to Give

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

Functional Allocation of Expenses

The costs of providing the Organization's program, supporting services, and fundraising have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program, administrative, and fundraising categories.

Income Taxes

Upham's Corner Community Center, Inc. was granted tax exempt status under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in these financial statements.

UPHAM'S CORNER COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

Note 1 - Summary of Significant Accounting Policies (continued)

Cash and Cash-Equivalents

For purposes of the statement of cash flows, Upham's Corner Community Center, Inc. considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Donated Services and Facilities

No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs and administrative tasks. The Organization receives more than 13,000 volunteer hours per year.

In addition, the Organization operates in a facility owned by the City of Boston, at no cost. The estimated lease value of the facility in the amount of \$120,000 is recorded in the financial statements as both in-kind contribution and occupancy expense.

Property and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are expensed as incurred while renewals and betterments are capitalized.

Depreciation has been provided using the straight-line method over the estimated useful lives of the assets as follows:

Leasehold improvements	20 years
Equipment	5 years
Furniture and fixtures	5 years

Donated Property and Equipment

The Organization has adopted a policy which implies a time restriction on donated fixed assets. Accordingly, donated assets are recorded as an increase in temporarily restricted net assets when acquired. As depreciation expense is recorded on these fixed assets, temporarily restricted net assets are reclassified to the unrestricted net assets in an amount equal to depreciation expense on donated fixed assets.

UPHAM'S CORNER COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

Note 1 - Summary of Significant Accounting Policies (continued)

Subsequent Events

The Organization has evaluated subsequent events through November 9, 2010 which is the date the financial statements were available to be issued.

Note 2 - Concentrations of Credit Risk Arising from
Cash Deposits in Excess of Insured Limits

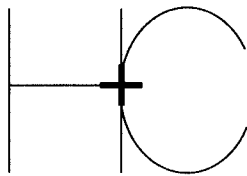
The Organization maintains its cash balances in two financial institutions located in the Boston area. The balances are insured up to \$250,000 by the Federal Deposit Insurance Corporation. At June 30, 2010, the Organization's bank deposits were fully insured.

Note 3 - Defined Contribution Plan

The Organization has a defined contribution plan (the Plan) covering all employees who agree to make contributions to the Plan. The Organization matches participants' contributions to the Plan up to 2% of the individual participant's compensation. Total expense for the year ended June 30, 2010 and 2009 was \$8,229 and \$9,815, respectively.

Note 4 - Surplus Revenue Retention

A not-for-profit provider is allowed to retain an annual net surplus of up to five percent of gross revenues derived from delivering services to clients of the Commonwealth of Massachusetts, beginning with the fiscal year ended June 30, 1993. The cumulative amount retained may not exceed twenty percent of the prior year's gross revenues from Commonwealth of Massachusetts purchasing agencies, and must be segregated as surplus revenue retention fund balance. A current year surplus which exceeds the five percent level or a cumulative surplus exceeding the twenty percent amount may be reinvested in program services as stipulated by the purchasing agencies, recouped, or used by the Commonwealth to reduce the price of future contracts. As of June 30, 2010, the Organization did not have surplus revenue and, therefore, no liability has been recorded.



One West Foster Street
Melrose, MA 02176.3852
Telephone 781.665.7100
Facsimile 781.665.9380

Certified Public Accountants

David J. McCaughin, CPA
John S. McNamara, CPA

Independent Auditors' Report on Supplementary Information

To the Board of Directors
Upham's Corner Community Center, Inc.
Dorchester, Massachusetts

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of expenses on page 12 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Hughes and Company, P.C.

HUGHES AND COMPANY, P.C.
Melrose, Massachusetts
November 9, 2010

UPHAM'S CORNER COMMUNITY CENTER, INC.
SUPPLEMENTAL SCHEDULE OF EXPENSES
JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Expenses		
Salaries and wages	\$ 904,553	\$ 734,343
Payroll tax expense	101,044	73,436
Health insurance/workers compensation	39,150	41,408
401K expense	8,229	9,815
	<hr/>	<hr/>
Total Employee Compensation and Related Expenses	1,052,976	859,002
	<hr/>	<hr/>
Insurance - general liability, auto and directors	30,009	32,059
Rent expense- in-kind	120,000	120,000
Repairs and maintenance	26,499	28,319
	<hr/>	<hr/>
Total Occupancy (including in-kind rent of \$120,000)	176,508	180,378
	<hr/>	<hr/>
Professional fees - program	142,246	120,047
Training and development	4,575	3,170
Program travel and transportation	37,971	33,403
Consultant - program - youth stipends	212,286	215,180
Program supplies	37,464	39,309
Equipment rental and maintenance	10,536	7,958
Field trips and special events	5,902	8,926
Hale reservation - summer camp reservation	35,968	30,741
Food	20,371	17,076
	<hr/>	<hr/>
Total Other Program/ Operating Expenses	507,319	475,810
	<hr/>	<hr/>
Professional fees - administrative	49,299	38,181
Professional fees - fundraising	41,873	43,030
Advertising - personnel	-	579
Meetings	676	725
Payroll service	4,158	3,201
Telephone	5,607	4,693
Office supplies	13,924	13,293
Postage and mailings	2,751	3,591
Printing and copying	2,971	4,522
Bank service charges	856	717
Inspections and license fees	1,863	3,693
Dues and subscriptions	10	430
Fines and penalties	90	384
	<hr/>	<hr/>
Total Administration, Consulting, Professional Fees and Other Expenses	124,078	117,039
	<hr/>	<hr/>
Depreciation	33,345	33,345
	<hr/>	<hr/>
Total Expenses	<u>\$ 1,894,226</u>	<u>\$ 1,665,574</u>