

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
BEACON HILL VILLAGE, INC.
JUNE 30, 2013 AND 2012**

BEACON HILL VILLAGE, INC.

JUNE 30, 2013 AND 2012

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Independent Auditor's Report

To the Board of Directors
Beacon Hill Village, Inc.
Boston, Massachusetts

We have audited the accompanying financial statements of Beacon Hill Village, Inc.(a not-for-profit corporation) which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Beacon Hill Village, Inc. as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America

Cohen + Associates, LLC

Certified Public Accountants
September 26, 2013

BEACON HILL VILLAGE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2013 AND 2012

ASSETS

	<u>2013</u>	<u>2012</u>
Current assets:		
Cash and cash equivalents	\$ 184,945	\$ 209,462
Accounts receivable	788	1,035
Pledges receivable	13,400	0
Other assets	1,825	1,403
	<u>200,958</u>	<u>211,900</u>
 Property and equipment:		
Furniture and equipment	14,945	14,945
Accumulated depreciation	(14,945)	(14,249)
	<u>0</u>	<u>696</u>
 Other assets:		
Endowment investments	205,701	186,479
Deposits	2,000	2,000
	<u>207,701</u>	<u>188,479</u>
 TOTAL ASSETS	 \$ <u>408,659</u>	 \$ <u>401,075</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 9,230	\$ 3,827
Deferred revenue	8,313	12,064
	<u>17,543</u>	<u>15,891</u>
 Net assets:		
Unrestricted	120,427	121,419
Temporarily restricted	270,689	263,765
	<u>391,116</u>	<u>385,184</u>
 TOTAL LIABILITIES AND NET ASSETS	 \$ <u>408,659</u>	 \$ <u>401,075</u>

See auditor's report and notes to financial statements.

**BEACON HILL VILLAGE, INC.
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and support:			
Contributions	\$ 143,498	\$ 44,470	\$ 187,968
Membership dues	158,672	0	158,672
Program revenue	34,586	0	34,586
Special events, net	7,248	0	7,248
Investment income	2,920	23,722	26,642
Net assets released from satisfaction of program restrictions	<u>61,268</u>	<u>(61,268)</u>	<u>0</u>
	<u>408,192</u>	<u>6,924</u>	<u>415,116</u>
Expenses:			
Program services	337,072	0	337,072
Administration	48,285	0	48,285
Fundraising	<u>23,827</u>	<u>0</u>	<u>23,827</u>
	<u>409,184</u>	<u>0</u>	<u>409,184</u>
Change in net assets	(992)	6,924	5,932
Net assets, beginning of year	<u>121,419</u>	<u>263,765</u>	<u>385,184</u>
Net assets, end of year	<u>\$ 120,427</u>	<u>\$ 270,689</u>	<u>\$ 391,116</u>

See auditor's notes to financial statements.

BEACON HILL VILLAGE, INC.
STATEMENTS OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and support:			
Contributions	\$ 149,528	\$ 60,090	\$ 209,618
Membership dues	162,997	0	162,997
Program revenue	65,427	0	65,427
Investment income	1,046	5,888	6,934
Net assets released from satisfaction of program restrictions	59,947	(59,947)	0
	<u>438,945</u>	<u>6,031</u>	<u>444,976</u>
 Expenses:			
Program services	344,572	0	344,572
Administration	45,316	0	45,316
Fundraising	26,906	0	26,906
	<u>416,794</u>	<u>0</u>	<u>416,794</u>
 Change in net assets before other income	22,151	6,031	28,182
 Other income:			
Forfeited employee benefits	13,718	0	13,718
	<u>13,718</u>	<u>0</u>	<u>13,718</u>
 Change in net assets	35,869	6,031	41,900
 Net assets, beginning of year	<u>85,550</u>	<u>257,734</u>	<u>343,284</u>
 Net assets, end of year	<u>\$ 121,419</u>	<u>\$ 263,765</u>	<u>\$ 385,184</u>

See auditor's report and notes to financial statements.

BEACON HILL VILLAGE, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2013

	<u>Program Services</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Personnel:				
Salaries and wages	\$ 188,539	\$ 26,063	\$ 9,487	\$ 224,089
Payroll taxes and benefits	18,546	2,520	1,187	22,253
	<u>207,085</u>	<u>28,583</u>	<u>10,674</u>	<u>246,342</u>
Occupancy	<u>22,680</u>	<u>3,240</u>	<u>1,080</u>	<u>27,000</u>
Operational:				
Board and staff development	1,786	255	85	2,126
Credit card fees	2,474	0	0	2,474
Depreciation	584	83	28	695
Direct member services	58,028	0	0	58,028
Insurance	2,241	320	107	2,668
Miscellaneous	7,705	1,181	331	9,217
Outreach and marketing	12,667	0	0	12,667
Postage and shipping	3,416	488	163	4,067
Professional fees	8,197	12,677	4,900	25,774
Supplies	7,677	1,096	6,338	15,111
Telephone	2,532	362	121	3,015
	<u>107,307</u>	<u>16,462</u>	<u>12,073</u>	<u>135,842</u>
Total expenses	<u>\$ 337,072</u>	<u>\$ 48,285</u>	<u>\$ 23,827</u>	<u>\$ 409,184</u>

See auditor's report and notes to financial statements.

BEACON HILL VILLAGE, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2012

	<u>Program Services</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Personnel:				
Salaries and wages	\$ 182,978	\$ 22,277	\$ 18,067	\$ 223,322
Payroll taxes and benefits	18,831	2,374	2,577	23,782
	<u>201,809</u>	<u>24,651</u>	<u>20,644</u>	<u>247,104</u>
Occupancy	<u>22,192</u>	<u>2,706</u>	<u>2,165</u>	<u>27,063</u>
Operational:				
Board and staff development	1,278	156	125	1,559
Credit card fees	1,831	0	0	1,831
Depreciation	1,046	128	102	1,276
Direct member services	67,048	0	0	67,048
Insurance	651	1,753	64	2,468
Miscellaneous	10,363	887	665	11,915
Outreach and marketing	17,501	0	0	17,501
Postage and shipping	3,641	444	355	4,440
Professional fees	8,018	13,470	782	22,270
Supplies	6,324	771	1,724	8,819
Telephone	2,870	350	280	3,500
	<u>120,571</u>	<u>17,959</u>	<u>4,097</u>	<u>142,627</u>
Total expenses	<u>\$ 344,572</u>	<u>\$ 45,316</u>	<u>\$ 26,906</u>	<u>\$ 416,794</u>

See auditor's report and notes to financial statements.

BEACON HILL VILLAGE, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
Operating activities:		
Change in net assets:	\$ 5,932	\$ 41,900
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation	696	1,276
Changes in assets and liabilities:		
Accounts receivable	247	8,532
Pledges receivable	(13,400)	0
Other assets	(422)	2,178
Endowment investments	(19,222)	(5,888)
Accounts payable	5,403	(1,706)
Accrued expenses	0	(20,549)
Deferred revenue	<u>(3,751)</u>	<u>704</u>
Net cash and cash equivalents provided by (used in) operating activities	<u>(24,517)</u>	<u>26,447</u>
Net increase (decrease) in cash and cash equivalents	(24,517)	26,447
Cash and cash equivalents, beginning of year	<u>209,462</u>	<u>183,015</u>
Cash and cash equivalents, end of year	<u>\$ 184,945</u>	<u>\$ 209,462</u>

See auditor's report and notes to financial statements.

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 AND 2012

1. Nature of activities:

Beacon Hill Village, Inc. (the Organization) is a private, nonprofit corporation founded by residents of Beacon Hill in Boston, Massachusetts, for elders who live in central Boston neighborhoods to assist them in living their lives to the fullest in their own homes as they grow older. The Organization provides its members access to social and cultural activities, exercise opportunities, household services and adaptive renovations. While the Organization's primary focus is on wellness, partnerships with providers such as Massachusetts General Hospital, Houseworks and other health and home care providers ensure that members have preferred access to home-based assisted living services and medical care. The Organization receives its revenue through dues and program fees from a growing membership, charitable gifts from individuals and foundations and sales of "The Founder's Manual: A How-To Guide for Communities to Develop a Village".

2. Summary of significant accounting policies:

Financial statement presentation:

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of estimates:

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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents:

The Organization considers all short-term debt securities purchased with a maturity of three months or less, when purchased, to be cash equivalents.

The Organization maintains its cash in bank deposit accounts which exceed federally insured limits. The company has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on such accounts.

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013 AND 2012

2. Summary of significant accounting policies (continued):

Property and equipment:

The cost of property and equipment is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the straight line method.

Maintenance and repairs are charged to operations when incurred. Betterments and renewals are capitalized. When property and equipment is sold or otherwise disposed of, the asset account and related accumulated depreciation accounts are relieved, and any gain or loss is included in operations.

The useful lives of property and equipment for purposes of computing depreciation are:

Equipment	3 years
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Depreciation expense totaled \$695 and \$1,276 in 2013 and 2012, respectively.

Endowment Investments:

Investments are carried at fair value determined primarily by quoted market prices. Investment securities, in general, are exposed to various risks, such as interest rate, credit and market risks. Net, investment income (losses) on invested endowment assets are recorded as temporarily restricted revenue unless permanently restricted by the donor. The Organization currently has no funds with income permanently restricted by the donor. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position and statements of activities.

Fair value:

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value (Level 1, Level 2, Level 3).

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013 AND 2012

2. Summary of significant accounting policies (continued):

Fair value (continued):

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Level 2 inputs are other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability such as pricing models, discounted cash flows methodologies or similar techniques supported by little or no market activity.

Net Assets:

The Organization's net assets and changes in net assets are required to be reported into three classes; unrestricted, temporarily restricted and permanently restricted; according to externally (donor) imposed restrictions as follows:

Unrestricted Net Assets - Assets and contributions that are not subject to donor-imposed restrictions or for which restrictions have expired.

Temporarily Restricted Net Assets - carry specific, donor-imposed restrictions on the expenditures or other use of contributed funds. Temporary restrictions may expire either because of the passage of time or because certain actions are taken which fulfill the restrictions. When a donor 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 activities as net assets released from restrictions.

Permanently Restricted Net Assets are those that are subject to donor-imposed restrictions which will never lapse, thus requiring that the funds be retained permanently to use or expend part or all of the economic benefits derived from the donated assets. The Organization currently has no net assets reportable as permanently restricted net assets.

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013 AND 2012

2. Summary of significant accounting policies (continued):

Endowment funds:

As of June 30, 2013 the Organization's endowment consists of two funds. Up to five percent (5%) of the net assets of the endowment funds may be appropriated for expenditures annually. One of the endowment funds restricts the annual appropriations to be used for the Organization's "membership plus" program. Endowment fund balances are reported as permanently restricted, temporarily restricted or unrestricted in accordance with donor specifications and applicable law.

The Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanently restricted endowment (b) the original value of subsequent gifts donated to the permanently restricted endowment and (c) accumulations to the permanently restricted endowment made in accordance with the direction of the applicable donor gift instrument. The Organization has no permanently restricted net assets as of June 30, 2013. The remaining portion of the endowment funds, including the corpus and the cumulative net income (loss), is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Board, or its designated committee, in a manner consistent with the prudence prescribed in Massachusetts Prudent Management of Institutional Funds Act (MPMIFA).

In accordance with MPMIFA the Organization considers the following factors in making a determination to appropriate or accumulate net investment income on donor-restricted endowment funds: (1) the preservation of the funds, (2) the purpose and long and short-term needs of the Organization and the donor-restricted endowment funds including present and anticipated financial requirements (3) general economic conditions, (4) possible effects of inflation and deflation (5) expected total returns on its investments, (6) other resources of the Organization, (7) applicable state laws and (8) the investment policies of the Organization.

Annually, the Board determines the amount of the endowment fund that should be appropriated in accordance with the Organization's policies and procedures. The Board may temporarily increase, reduce or suspend this appropriation during the year. The funds are transferred to non restricted accounts when appropriated. \$4,500 and \$0 were appropriated for the years ended June 30, 2013 and 2012, respectively.

Recognition of donor restrictions:

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. Contributions and pledges intended for use in future periods are recorded as temporarily restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013 AND 2012

2. Summary of significant accounting policies (continued):

Contributions, gifts and grants:

The Organization records contributions, gifts and grants as receivables and revenue. The organization distinguishes between contributions received for each net asset category in accordance with donor imposed restrictions. Pledges are recorded as contribution revenue when the pledge is verified or received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor or grantor. Contributions of assets other than cash are recorded at their fair value, and as of the date the gift is received. Conditional promises to give, which depend on the occurrence of a specified future and uncertain event to bind the promisor, are recognized when the conditions on which they depend are substantially met.

During 2013 and 2012, a significant amount of contributions were provided by a few contributors and a significant amount of program revenue was received from a few customers. It is always considered reasonably possible that contributors or customers might be lost in the near term.

Membership fees:

Revenue from membership fees are recognized at the beginning of the members' membership period. There is no obligation for the Organization to return such fees if members discontinued their membership prior to the end of the term. Account receivable consists primarily of membership fees receivable from members. Management believes all membership fees are collectable. Deferred revenue consists of payments received prior to the start of the membership period.

Income taxes:

The Organization is a tax-exempt entity, qualifying under section 501(c)(3) of the Internal Revenue Code. The tax exempt status qualifies for both Federal and State taxing authorities, therefore, there is no provision for income taxes. The Organization has not taken any tax positions which would be classified as uncertain. The Organization files returns of organizations exempt from income tax with US and Massachusetts jurisdictions. The years 2009 through 2012 are open years for these jurisdictions.

Advertising:

The company expenses advertising costs as incurred.

Functional expenses:

The cost of providing the various programs and other activities of the Organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting services benefitted.

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013 AND 2012

3. Pledges receivable:

At June 30, pledges receivable consisted of the following:

	<u>2013</u>	<u>2012</u>
Unconditional pledges	\$ 13,400	\$ 0
Discount to net present value	<u>0</u>	<u>0</u>
	<u>\$ 13,400</u>	<u>\$ 0</u>

Substantially all of the pledges receivable are from two donors June 30, 2013. The Organization considers all of its pledges fully collectible at June 30, 2013. The operations of the Organization would be impacted if a significant portion of the pledges from these donors were not collected or if they discontinued or reduced their future contributions. At June 30, 2013, all pledges are due in one year or less.

4. Endowment investments:

Endowment investments of the Organization are stated at fair value (See Note 2). At June 30, endowment investments consisted of the following:

	<u>Fair Value</u>	<u>Quoted Prices In Active Markets for Identical Assets (Level1)</u>
June 30, 2013:		
Cash and cash equivalents	\$ 1,335	\$ 1,335
Mutual funds	<u>204,366</u>	<u>204,366</u>
Total	<u>\$ 205,701</u>	<u>\$ 205,701</u>
June 30, 2012:		
Cash and cash equivalents	\$ 35,465	\$ 35,465
Mutual funds	<u>151,014</u>	<u>151,014</u>
Total	<u>\$ 186,479</u>	<u>\$ 186,479</u>

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013 AND 2012

5. Endowment funds:

The Organization's endowment consists of two separate funds. Endowment fund balances are classified and reported as permanently restricted, temporarily restricted, or unrestricted, in accordance with donor specifications and state law. (See Note 2).

Endowment net assets compositions:

As of June 30, 2013

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Donor-restricted endowment funds:	\$ 0	\$ 175,500	\$ 0	\$ 30,201
Accumulated Earnings	<u>0</u>	<u>30,201</u>	<u>0</u>	<u>205,701</u>
Total endowments	<u>\$ 0</u>	<u>\$ 205,701</u>	<u>\$ 0</u>	<u>\$ 0</u>

As of June 30, 2012

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Donor-restricted endowment funds:	\$ 0	\$ 175,500	\$ 0	\$ 175,500
Accumulated Earnings	<u>0</u>	<u>10,979</u>	<u>0</u>	<u>10,979</u>
Total endowments	<u>\$ 0</u>	<u>\$ 186,479</u>	<u>\$ 0</u>	<u>\$ 186,479</u>

Changes in Endowment net assets for the years ended June 30, 2013 and 2012 :

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Endowment net assets, July 1, 2011	\$ 0	\$ 180,591	\$ 0	\$ 180,591
Investment income (loss)	0	<u>5,888</u>	0	<u>5,888</u>
Endowment net assets, June 30, 2012	<u>\$ 0</u>	<u>\$ 186,479</u>	<u>\$ 0</u>	<u>\$ 186,479</u>
Investment income (loss)		23,722		23,722
Appropriation of accumulated endowment income	<u>0</u>	<u>(4,500)</u>	<u>0</u>	<u>(4,500)</u>
Endowment net assets, December 31, 2011	<u>\$ 0</u>	<u>\$ 205,701</u>	<u>\$ 0</u>	<u>\$ 205,701</u>

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013 AND 2012

6. Restrictions on net assets:

Restricted net assets are available for the following purposes at June 30,:

	<u>2013</u>	<u>2012</u>
Temporarily restricted net assets:		
Specific purpose of temporary restrictions:		
Outreach	\$ 0	\$ 748
Scholarships	37,470	37,740
Scholarships for women	27,518	38,798
Endowment	<u>205,701</u>	<u>186,479</u>
Total temporarily restricted net assets	<u>\$ 270,689</u>	<u>\$ 263,765</u>

7. Investment income:

The following schedule summarizes the investment income in the statement of activities:

	<u>2013</u>	<u>2012</u>
Interest and dividend income	\$ 4,768	\$ 2,492
Net realized and unrealized gains	<u>21,874</u>	<u>4,442</u>
Total investment income	<u>\$ 26,642</u>	<u>\$ 6,934</u>

8. Net assets released from restrictions:

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes specified by donors are as follows:

Purpose of restriction accomplished:

	<u>2013</u>	<u>2012</u>
Outreach	\$ 748	\$ 3,752
Time	0	2,500
Scholarships	19,740	19,206
Scholarships for women	36,280	34,488
Endowment earnings appropriated	<u>4,500</u>	<u>0</u>
Total restrictions released	<u>\$ 61,268</u>	<u>\$ 59,947</u>

BEACON HILL VILLAGE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2013 AND 2012

9. Forfeited employee benefits:

When the prior executive director became an employee of the Organization, her unpaid benefits from her previous employer were recorded as a liability of the organization as part of her employment agreement. Unpaid benefits consisted of sick time and vacation time and the sick time was required to be used while an employee. When the executive director left the Organization in 2012 she was paid \$6,830 of the liability and \$13,718 of accrued sick time was forfeited and recorded as income to the Organization.

10. Operating leases:

The Organization leases its premises in Boston, Massachusetts under an operating lease. The Organization signed a three-year lease commencing on June 1, 2011 and ending on May 31, 2014.

Minimum future rental payments under all non-cancelable operating leases and lease extensions are as follows:

2014	\$ <u>24,750</u>
	\$ <u><u>24,750</u></u>

Rent expense totaled \$27,000 and \$27,063 in 2013 and 2012, respectively.

11. Subsequent events:

The Organization has evaluated subsequent events through September 26, 2013, the date which the financial statements were ready to be issued.