

**LAWYERS CLEARINGHOUSE ON AFFORDABLE  
HOUSING AND HOMELESSNESS, INC.**

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August 31, 2014

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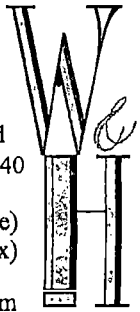
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**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To The Board of Directors  
Lawyers Clearinghouse on Affordable  
Housing and Homelessness, Inc.  
16 Beacon Street  
Boston, Massachusetts 02108

We have reviewed the accompanying statement of financial position of Lawyers Clearinghouse on Affordable Housing and Homelessness, Inc. as of August 31, 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 Organization 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 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 accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Whittlesey &amp; Hadley PC".

Holyoke, Massachusetts  
February 11, 2015

*Offices in Hartford, Connecticut & Holyoke, Massachusetts*

**LAWYERS CLEARINGHOUSE ON AFFORDABLE  
HOUSING AND HOMELESSNESS, INC.**  
Statement of Financial Position  
August 31, 2014  
(See Independent Accountant's Review Report)

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**ASSETS**

**Current Assets**

Cash	\$ 207,994
Due from Boston Bar Association	43
Prepaid expense	<u>1,656</u>

**TOTAL ASSETS** \$ 209,693

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts payable	\$ 275
Taxes and other items withheld	1,667
Accrued expense	<u>34,683</u>

**Total Current Liabilities and Total Liabilities** \$ 36,625

**Net Assets**

Unrestricted	<u>173,068</u>
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**TOTAL LIABILITIES AND NET ASSETS** \$ 209,693

The accompanying notes are an integral part of the financial statements.

**LAWYERS CLEARINGHOUSE ON AFFORDABLE  
HOUSING AND HOMELESSNESS, INC.**

Statement of Activities

For the Year Ended August 31, 2014  
(See Independent Accountant's Review Report)

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<b>Support and Revenue</b>		
Grants and contributions	\$ 244,756	
Fee revenue	<u>7,930</u>	
<b>Total Support and Revenue</b>		<b>\$ 252,686</b>
<b>Expense</b>		
Salaries	187,800	
Payroll taxes	15,276	
Fringe benefits	24,709	
Professional services	7,451	
Office, postage and copying	2,292	
Telephone	2,256	
Receptions and luncheon meetings	7,415	
Rent	5,400	
Travel	494	
Insurance	2,567	
Dues and subscriptions	2,935	
Computer maintenance and supplies	2,849	
Miscellaneous	<u>1,020</u>	
<b>Total Expense</b>		<u>262,464</u>
<b>Change in Net Assets - Unrestricted</b>		<b>(9,778)</b>
Net assets - unrestricted - beginning of year		<u>182,846</u>
<b>Net Assets - Unrestricted - End of Year</b>		<u><u>\$ 173,068</u></u>

The accompanying notes are an integral part of the financial statements.

**LAWYERS CLEARINGHOUSE ON AFFORDABLE  
HOUSING AND HOMELESSNESS, INC.**

**Statement of Cash Flows**

For the Year Ended August 31, 2014  
(See Independent Accountant's Review Report)

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**Cash Flows From Operating Activities**

Cash received from program services	\$ 10,814
Cash received from grants and contributions	244,756
Cash paid to suppliers and employees	<u>(270,704)</u>

**Net Decrease in Cash** \$ (15,134)

Cash - beginning of year 223,128

**Cash - End of Year** \$ 207,994

The accompanying notes are an integral part of the financial statements.

**LAWYERS CLEARINGHOUSE ON AFFORDABLE  
HOUSING AND HOMELESSNESS, INC.**

**Schedule of Reconciliation of Change in Net Assets  
to Net Cash Used in Operating Activities**

For the Year Ended August 31, 2014  
(See Independent Accountant's Review Report)

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<b>Change in Net Assets</b>		\$ (9,778)
<b>Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities:</b>		
Accounts receivable	\$ 2,884	
Due to Boston Bar Association	(43)	
Prepaid expense	(318)	
Accounts payable	(77)	
Taxes and other items withheld	387	
Accrued expense	(7,775)	
Due from Boston Bar Association	<u>(414)</u>	
<b>Total Adjustments</b>		<u>(5,356)</u>
<b>Net Cash Used in Operating Activities</b>		<u><u>\$ (15,134)</u></u>

The accompanying notes are an integral part of the financial statements.

**LAWYERS CLEARINGHOUSE ON AFFORDABLE  
HOUSING AND HOMELESSNESS, INC.**  
Notes to the Financial Statements  
August 31, 2014

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

Lawyers Clearinghouse on Affordable Housing and Homelessness, Inc. (the Clearinghouse) was organized to promote the development and the maintenance and expansion of affordable housing, transitional housing and emergency shelters in Massachusetts.

Income Taxes

The Clearinghouse is a not-for-profit corporation under the laws of the Commonwealth of Massachusetts and is exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and accordingly does not record a provision for income taxes on its related earnings. In addition, the Clearinghouse qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The Clearinghouse regularly reviews and evaluates its tax positions taken in its previous financial statements, with regard to issues affecting its tax exempt status, unrelated business income, and related matters. The Clearinghouse is subject to various federal and state tax examinations for the years ended August 31, 2011 through 2014. Penalties and interest, if any, assessed by tax authorities will be included in operating expenses. It believes that in the event of an examination by taxing authorities, its positions would prevail based upon the technical merit of such positions. Therefore, the Clearinghouse has concluded that no tax benefits or liabilities are required to be recognized.

Basis of Accounting

The financial statements of the Clearinghouse are prepared on the accrual basis.

Basis of Presentation

The net assets of the Clearinghouse are reported in each of the following three classes when applicable: (a) unrestricted net assets, (b) temporarily restricted net assets and (c) permanently restricted net assets. Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets are legally unrestricted and are reported as part of the unrestricted class.

Capitalization of Expenditures

The cost of capital assets is capitalized. Expenditures for maintenance and repairs are expensed against income as incurred.

Revenue Recognition

Grant income is recognized based upon the terms and conditions as set forth by the grantor or ratably during the performance period. Fee revenue is recognized as eligible services are rendered. Contributions are recorded when pledged.

Cash Flows

For purposes of the statement of cash flows, cash includes cash in the checking account.

**LAWYERS CLEARINGHOUSE ON AFFORDABLE  
HOUSING AND HOMELESSNESS, INC.**  
Notes to the Financial Statements  
August 31, 2014

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Use of Estimates

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 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.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written-off through a charge to the valuation allowance and a credit to receivables. There was no need for a valuation allowance for the year ended August 31, 2014.

Subsequent Events

The Clearinghouse has evaluated events that have occurred subsequent to August 31, 2014 through February 11, 2015, the date these financial statements were available to be issued, and has determined there were no material events requiring recognition or disclosure.

**NOTE 2 – FUNCTIONAL EXPENSES**

The cost of providing various program and other activities is summarized on a functional basis as follows:

Program Services

Promote development, maintenance and expansion of affordable housing, transitional housing and emergency shelters	\$ 218,486
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Supporting Services

General and administrative	43,978
	<u>\$ 262,464</u>

**NOTE 3 – PENSION PLAN**

The Clearinghouse participates in a defined contribution pension plan covering substantially all of its employees.

Pension expense for the year ended August 31, 2014 was \$11,861.