CENTRE SOUTH MAIN STREETS, INC.

FINANCIAL STATEMENTS

JUNE 30, 2018

CENTRE SOUTH MAIN STREETS, INC.

FINANCIAL STATEMENTS

Contents

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Centre South Main Streets, Inc.
Jamaica Plain, Massachusetts

I have reviewed the accompanying statement of financial position of Centre South Main Streets, Inc. (a nonprofit organization) as of June 30, 2018, and the related statements of activities, functional expense 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, I 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.

My 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 me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am 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.

September 18, 2018
Jamaica Plain, Massachusetts

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CENTRE SOUTH MAIN STREETS, INC.
Statement of Financial Position
June 30, 2018

Assets	
Current Assets	
Cash and cash equivalents	$ 3,348
Accounts receivable	11,521
Total Current Assets	14,869
Total assets	**$ 14,869**
Liabilities and Net Assets	
Current Liabilities	
Accounts payable	$ 180
Total Liabilities	180
Unrestricted net assets	14,689
Total liabilities and net assets	**$ 14,869**

SEE ACCOUNTANT'S REVIEW REPORT

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

CENTRE SOUTH MAIN STREETS, INC.

Statement of Activities

For the Year Ended June 30, 2018

Operating Revenue and Support		
Program service revenue - City of Boston	$	75,254
Corporate and foundation grants		5,000
Special events		3,486
Donations		10,543
Total operating revenue and support		**94,283**
Operating Expenses		
Program Service Expenses		81,195
General and administrative expenses		5,847
Fund raising expenses		750
Total operating expenses		**87,792**
Change in net assets		**6,491**
Net assets, beginning of year		**8,198**
Net assets, end of year	**$**	**14,689**

SEE ACCOUNTANT'S REVIEW REPORT

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CENTRE SOUTH MAIN STREETS, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2018

	Total Program Services	General and Administrative	Fund Raising	Total Expenses
Personnel and related costs				
Director's salary	47,000	2,500	500	50,000
Payroll taxes	2,849	158	158	3,165
Total personnel and related costs	49,849	2,658	658	53,165
Occupancy costs				
Rent	6,270	330	-	6,600
Telephone and internet	1,196	64	13	1,272
Utilities	1,025	55	11	1,090
	-	-	-	
Other operating costs				
Accounting and professional fees	-	2,400	-	2,400
Advertising	721	-	-	721
Insurance expense	2,823	150	30	3,003
Office supplies and expense	1,741	93	19	1,852
Payroll processing	1,841	98	20	1,959
Program expenses	15,730		-	15,730
Total Expense	$ 81,195	$ 5,847	$ 750	$ 87,792

SEE ACCOUNTANT'S REVIEW REPORT

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CENTRE SOUTH MAIN STREETS, INC.

Statement of Cash Flows

For the Year Ended June 30, 2018

Cash flows from operating activities	
Change in net assets	$ 6,491
Adjustments to reconcile change in net assets to net cash provided by operations	
Changes in operating assets and liabilities	
Accounts receivable	(7,253)
Accrued expenses	180
Net Cash Used by Operating Activities	**(582)**
Cash flows from investing activities	
Net Cash Used by Investing Activities	**-**
Cash flows from financing activities	
Net Cash Used by Financing Activities	**-**
Net Change in Cash	**(582)**
Beginning Cash	**3,930**
Ending Cash	**$ 3,348**

SEE ACCOUNTANT'S REVIEW REPORT

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

CENTRE SOUTH MAIN STREETS, INC.
NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Operations, Non-Profit Status and Significant Accounting Policies

Operations
Centre South Main Streets, Inc. ("The Organization") was incorporated in Massachusetts in 2001 as a charitable organization to promote the Centre/South area and to support local businesses.

Tax Status
The Organization is exempt from Federal and Massachusetts income taxes, under Internal Revenue Code Section 501(c) (3) and has been determined to be an organization which is not a private foundation. Contributions to The Organization. are tax deductible to the full extent of the law.

Basis of Accounting
The financial statements are presented on the accrual basis of accounting.

Revenue Recognition
Grant revenue is recognized in the period in which it is intended to support.

Improvements, Equipment & Furnishings
Property and equipment are recorded at cost, if purchased or at fair market value at the time of donation. Expenditures for maintenance and repairs are charged to expense as incurred, whereas major betterments are capitalized as additions to property and equipment. Depreciation is computed using the straight-line method over the following estimated useful lives:

Furniture and fixtures	10 years
Equipment	3-10 years
Leasehold improvements	10 years

Financial Statement Presentation
The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of assets determined by donor-imposed restrictions as follows: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At its discretion, the Board of Directors may designate funds for specific purposes. Such board-designated funds are included in unrestricted net assets.

Unrestricted Net Assets - Unrestricted net assets are those net resources that bear no external restrictions and are generally available for use by the Organization. Unrestricted contributions are recorded as support when received or unconditionally committed

Temporarily Restricted Net Assets – Restricted grants and contributions are recorded as temporarily restricted support and net assets when received or committed. Transfers are made to unrestricted net assets as costs are incurred or time restrictions or program restrictions have lapsed. Donor restricted grants and contributions received and satisfied in the same period are included in unrestricted net assets.

Permanently Restricted Net Assets – Restricted grants with donor imposed restrictions that do not end with the passage of time, or are otherwise permanently restricted are classified as permanently restricted.

Note 1 - Operations, Non-Profit Status and Significant Accounting Policies (continued)

Financial Statement Presentation (continued)

There are no temporarily or permanently restricted net assets at June 30, 2018.

Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of 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.

Cash and Cash Equivalents

The Organization considers cash on hand, demand deposits, and highly liquid investments with original maturity dates of three months or less to be cash and cash equivalents for the purpose of the statements of cash flows.

Uncertain Tax Positions

The Organization accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a "cumulative probability assessment" that aggregates the estimated tax liability for all uncertain tax positions. Interest and penalties assessed, if any, are accrued as income tax expense.

The Organization has identified its status as a tax exempt entity as it's only significant position and has determined that such position does not result in an uncertainty requiring recognition. the Organization is not currently under examination by any taxing jurisdiction. Its federal and state income tax returns are generally open for examination for the three years after the date of filing of the related return.

Advertising

the Organization expenses advertising costs as incurred.

Subsequent Events

The Organization has evaluated subsequent events through September 18, 2018, the date the financial statements were authorized to be issued.

Note 2 - Improvements, Equipment and Furnishings

There are no investments in fixed assets as of June 30, 2018. All small office items have been charged to operations in the year in which acquired or donated.