

NEW ENGLAND
ARCHIVISTS, INC.

FINANCIAL STATEMENTS
(UNAUDITED)

DECEMBER 31, 2013 AND 2012

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To the Executive Board
New England Archivists, Inc.
c/o Massachusetts State Archives
Boston, MA 02125

I have reviewed the accompanying statements of financial position of the New England Archivists, Inc. (a nonprofit organization) as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related statement of functional expenses for the years ended December 31, 2013 and 2012. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association's 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, 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 generally accepted accounting principles in the United States of America.

Robert J. Guimond, CPA
July 28, 2014



NEW ENGLAND ARCHIVISTS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012
-See Accountant's Review Report-

	<u>2013</u>	<u>2012</u>
<u>Assets</u>		
Current:		
Cash	\$ 72,313	\$ 82,236
Marketable securities	15,971	15,969
Deposit –site	1,000	-
Deposit –bulk mail	640	768
Total current assets	89,924	98,973
Fixed assets:		
Computer & software	979	979
Accumulated depreciation	(979)	(887)
Total fixed assets	-	92
 Total Assets	 \$ 89,924	 \$ 99,065
<u>Liabilities</u>		
Current:		
Unearned dues	\$ 4,165	\$ 2,267
Accounts payable	-	-
Total Liabilities	4,165	2,267
<u>Net Assets</u>		
Unrestricted:		
General	72,547	83,094
Hale Award –board designated	1,366	1,366
Temporarily restricted:		
Hale Award	10,556	11,548
Haas Award	1,290	790
Total Net Assets	85,759	96,798
Total Liabilities and Net Assets	\$ 89,924	\$ 99,065

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

NEW ENGLAND ARCHIVISTS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
-See Accountant's Review Report-

	<u>2013</u>	<u>2012</u>
Changes in unrestricted net assets:		
Revenue, gains and other support:		
Membership dues	\$ 13,503	\$ 14,154
Meetings	24,034	27,517
Educational workshops	2,657	3,347
Vendor sponsorships	7,450	8,020
Book sale	-	1,948
Newsletter ads	1,400	1,065
Mailing lists	50	-
Investment income	163	25
Miscellaneous	92	53
Donations and Grants	7,140	1,000
	<u>56,489</u>	<u>57,129</u>
Net assets released from restrictions	1,000	1,000
	<u>57,489</u>	<u>58,129</u>
Expenses and losses:		
Committees	6,685	7,045
Meetings & workshops	26,494	19,686
Newsletter	14,056	12,741
Board and administrative	3,700	2,254
40 th Anniversary	16,009	-
Awards	1,000	1,000
Depreciation	92	181
	<u>68,036</u>	<u>42,907</u>
Change in unrestricted net assets	<u>(10,547)</u>	<u>15,222</u>
Change in temporarily restricted net assets:		
Donations to Hale Award	-	96
Donations to Haas Award	500	76
Returned donations –ARMA	-	599
Investment income	8	9
Net assets released from restrictions	<u>(1,000)</u>	<u>(1,000)</u>
Change in temporarily restricted net assets	<u>(492)</u>	<u>(220)</u>
Change in net assets	(11,039)	15,002
Net assets, beginning of year	<u>96,798</u>	<u>81,796</u>
Net assets, end of year	<u>\$ 85,759</u>	<u>\$ 96,798</u>

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

NEW ENGLAND ARCHIVISTS, INC.
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2013 AND 2012
 -See Accountant's Review Report-

	<u>2013</u>	<u>2012</u>
Cash flows from operations:		
Received for dues	\$ 15,401	\$ 14,997
Received for meetings & workshops	26,691	30,864
Vendor sponsorships	7,450	8,020
Proceeds - sale of books, advertising & mailing lists	1,450	3,013
Donations and Grants	7,640	222
Interest/dividends received	171	34
Miscellaneous	92	2
Returned donation -ARMA	-	1,599
Awards	(1,000)	(1,000)
Paid to suppliers	(67,816)	(43,384)
Net cash provided (used) by operations	<u>(9,921)</u>	<u>14,367</u>
Cash flows from investing activities:		
Purchase equipment	-	-
Marketable securities –reinvested income	(2)	(2)
Net cash provided (used) by investing	<u>(2)</u>	<u>(2)</u>
Net increase (decrease) in cash	(9,923)	14,365
Cash & equivalents, beginning of year	82,236	67,871
Cash & equivalents, end of year	<u>\$ 72,313</u>	<u>\$ 82,236</u>

Reconciliation of change in net assets to net cash provided by operations

Change in net assets	\$ (11,039)	\$ 15,002
Reconciling items:		
Depreciation	92	181
(Increase) decrease in site deposit	(1,000)	-
(Increase) decrease in bulk mail deposit	128	(360)
Increase (decrease) in unearned dues	1,898	843
Increase (decrease) in accounts payable	-	(1,299)
Net cash provided (used) by operations	<u>\$ (9,921)</u>	<u>\$ 14,367</u>

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

NEW ENGLAND ARCHIVISTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013
-See Accountant's Review Report-

	<u>Membership</u>	<u>Nominating</u>	<u>Education</u>	<u>Communications</u>
Accountant	\$ -	\$ -	\$ -	\$ -
Advertising	-	-	-	-
Awards	-	-	-	-
Books	-	-	-	-
Catering	247	-	835	-
Contract services	-	375	-	-
Dues & subscriptions	15	-	-	-
Facilities	-	-	600	-
Fees	-	-	-	-
Honoraria/speaker fees	-	-	1,250	-
Insurance	-	-	-	-
Licensing	-	-	-	-
Postage & delivery	231	-	-	-
Printing & reproduction	330	-	-	1,090
Refunds	-	-	63	-
Scholarship	-	-	-	-
Supplies	-	-	-	163
Travel	-	-	200	-
Miscellaneous	-	-	-	-
Total 2013	<u>\$ 823</u>	<u>\$ 375</u>	<u>\$ 2,948</u>	<u>\$ 1,253</u>
Total 2012	<u>\$ 396</u>	<u>\$ 463</u>	<u>\$ 4,896</u>	<u>\$ 852</u>

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

NEW ENGLAND ARCHIVISTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013
-See Accountant's Review Report-

	<u>Web</u>	<u>Development</u>	<u>Diversity Task Force</u>	<u>Total Committee</u>
Accountant	\$ -	\$ -	\$ -	\$ -
Advertising	-	-	-	-
Awards	-	-	-	-
Books	-	-	-	-
Catering	-	-	-	1,082
Contract services	125	-	-	500
Dues & subscriptions	617	-	-	632
Facilities	-	-	-	600
Fees	-	-	-	-
Honoraria/speaker fees	-	-	-	1,250
Insurance	-	-	-	-
Licensing	502	-	-	502
Postage & delivery	-	42	-	273
Printing & reproduction	-	-	-	1,420
Refunds	-	-	-	63
Scholarship	-	-	-	-
Supplies	-	-	-	163
Travel	-	-	-	200
Miscellaneous	-	-	-	-
Total 2013	<u>\$ 1,244</u>	<u>\$ 42</u>	<u>\$ 0</u>	<u>\$ 6,685</u>
Total 2012	<u>\$ 323</u>	<u>\$ 73</u>	<u>\$ 42</u>	<u>\$ 7,045</u>

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NEW ENGLAND ARCHIVISTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

-See Accountant's Review Report-

	<u>Spring</u>	<u>Fall</u>	<u>Total Meetings</u>	<u>Newsletter</u>
Accountant	\$ -	\$ -	\$ -	\$ -
Advertising	-	-	-	-
Awards	-	-	-	200
Books	-	-	-	-
Catering	17,283	901	18,184	-
Contract services	125	-	125	3,252
Dues & subscriptions	-	-	-	-
Facilities	4,087	122	4,209	-
Fees	-	-	-	-
Honoraria/speaker fees	1,200	500	1,700	-
Insurance	-	-	-	-
Licensing	-	-	-	-
Postage & delivery	227	-	227	1,071
Printing & reproduction	796	364	1,160	9,533
Refunds	-	0	-	-
Scholarship	-	-	-	-
Supplies	62	205	267	-
Travel	-	-	-	-
Miscellaneous	500	122	622	-
Total 2013	<u>\$ 24,280</u>	<u>\$ 2,214</u>	<u>\$ 26,494</u>	<u>\$ 14,056</u>
Total 2012	<u>\$ 10,179</u>	<u>\$ 9,507</u>	<u>\$ 19,686</u>	<u>\$ 12,741</u>

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

NEW ENGLAND ARCHIVISTS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013
-See Accountant's Review Report-

	Board	40th Anniversary	Total 2013	Total 2012
Accountant	\$ 1,250	\$ -	\$ 1,250	\$ 1,200
Advertising	-	-	-	230
Awards	16	-	216	200
Books	-	-	-	1,520
Catering	-	1,400	20,666	14,253
Contract services	-	10,500	14,377	4,999
Dues & subscriptions	1,039	-	1,671	699
Facilities	-	-	4,809	2,085
Fees	252	-	252	240
Honoraria/speaker fees	-	1,365	4,315	3,925
Insurance	766	-	766	-
Licensing	-	-	502	95
Postage & delivery	56	-	1,627	1,719
Printing & reproduction	39	277	12,429	9,576
Refunds	-	-	63	96
Scholarship	-	1,197	1,197	-
Supplies	56	-	486	360
Travel	226	1,270	1,696	529
Miscellaneous	-	-	622	-
Total 2013	\$ <u>3,700</u>	\$ <u>16,009</u>	\$ <u>66,944</u>	
Total 2012	\$ <u>2,254</u>	\$ <u>-</u>		\$ <u>41,726</u>

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

NEW ENGLAND ARCHIVISTS, INC.
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Note 1 - Organization & Summary of Significant Accounting Policies

Organization:

New England Archivists, Inc. (NEA) was incorporated under a charter granted in 1973 by the Commonwealth of Massachusetts. The organization was established to foster the preservation and use of records of enduring value in New England and to improve the management and public awareness and understanding of such records. Membership is open to any individual or institution concerned with or interested in accession, administration, organization, preservation, or use of archival and manuscript material.

Income Tax Exemption:

The organization is exempt from Federal income taxes under the provisions of Section 501(a) of the Internal Revenue Code as an entity described in Section 501(c)(3). Management does not believe the financial statements include any uncertain tax positions.

Accrual Basis:

The financial statements of New England Archivists, Inc. have been prepared on the accrual basis.

Basis of Presentation:

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the organization and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the organization. Generally, the donors of these assets permit the organization to use all or part of the income earned on related investments for general or specific purposes.

Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted, and are reported as part of the unrestricted class.

NEW ENGLAND ARCHIVISTS, INC.
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Note 1 - Organization & Summary of Significant Accounting Policies (cont'd)

Fixed Assets:

Computer and software are being depreciated using the straight-line method over an estimated useful life of 5 years. One-half year of depreciation is recorded in the year of addition.

Unearned revenue:

Dues collected prior to the fiscal year to which they relate are recorded as unearned revenue.

Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, held in checking and other highly liquid debt instruments with a maturity of one year or less when purchased and are stated at cost plus accrued interest, which approximates market.

Marketable securities:

Marketable securities consist of certificates of deposit with a maturity beyond one year when purchased. They are reported at cost plus accrued interest, which approximates market. Equity and debt securities are measured at published rates and are reflected at these determined market values in the statement of financial position. Investments are valued under Level 1 of fair value measurement. Net unrealized gain or loss in the market value of investments is included in investment income in the statement of activities.

Concentration of credit and market risk:

Financial instruments that potentially expose the organization to concentrations of credit and market risk consist primarily of certificates of deposit and mutual funds. Certificates of deposit are maintained at high-quality financial institutions and credit exposure is limited to any one institution. Marketable securities do not represent significant concentrations of market risk inasmuch as the investment portfolio is adequately diversified among mutual funds.

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

NEW ENGLAND ARCHIVISTS, INC.
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Note 2 – Marketable Securities

Cash was invested as follows:

	<u>2013</u>		<u>2012</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Money Market Funds	\$ 15,971	\$ 15,971	\$ 15,969	\$ 15,969
Equity Mutual Funds	-	-	-	-
Marketable securities	<u>\$ 15,971</u>	<u>\$ 15,971</u>	<u>\$ 15,969</u>	<u>\$ 15,969</u>

Money market funds attempt to maintain a NAV (net asset value) of \$1, which approximates market value. Equity mutual funds are reported at market value as determined from the NAV of the funds on December 31st. Investment income includes interest, dividends and realized gains/losses.

Note 3 – Hale Award

In honor of a founding member, the organization established the ‘Richard W. Hale Jr. Professional Award’. To promote the professional development of archivists in the region an annual award of \$1,000 may be given. Donations to fund the award are generally solicited from members. Donations during 2013 and 2012 of \$ -0- and \$ 96, respectively, are recorded as temporarily restricted funds in the statement of activity. Income earned on unexpended funds that are separately invested is recorded as temporarily restricted. Additionally, the board has occasionally appropriated unrestricted funds and designated them as Hale award funds. An award of \$1,000 was made in 2013 and 2012. The awards were recorded as withdrawals from the restricted fund.

Note 4 – Haas Award

The ‘Richard L. Haas Records Management Award’ was a jointly sponsored with the Association of Records Managers & Administrators – Boston Chapter (ARMA) through 2011. In 2012, ARMA relinquished its position as co-sponsor and custodian. In December, \$1,599 representing NEA’s prior transfers to ARMA were returned. The 2011 transfer consisted of \$425 of restricted funds and \$1,000 of board appropriated funds. The last recorded transfer prior to 2011 occurred in 2006 and consisted of restricted funds. Therefore, \$599 has been recorded as an addition to the Haas fund and \$1,000 as an addition to the general unrestricted fund, respectively. The award is given to an individual who proposes a project that promotes increased cooperation, understanding, and knowledge between archival and records management profession. Donations to fund the award are generally solicited from members. Donations during 2013 and 2012 of \$ 500 and \$ 76, respectively, are recorded as restricted funds in the statement of activity.

NEW ENGLAND ARCHIVISTS, INC.
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

Note 5 - Taxes

NEA, due to its qualification under Internal Revenue Code Section 501(c)(3), is an organization exempt from income tax. The exemption does not, however, extend to unrelated business income.

Unrelated business income is based on the aggregate of net advertising income and revenue from the sale of membership mailing lists and promotional memorabilia. The first \$1,000 of such income is not subject to tax. NEA did not incur a tax liability for its fiscal years ended December 31, 2013 and 2012.

Generally, tax returns remain open for examination for a period of three years.

Note 6 –Subsequent events

Management has evaluated all material subsequent events through July 28, 2014, the date the financial statements were available to be issued