



FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

SIDE BY SIDE INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

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Independent Accountant's Review Report

To the Board of Directors of
Side by Side Inc.

We have reviewed the accompanying statements of financial position of Side by Side Inc. (a nonprofit organization) as of June 30, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years 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 reviews 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 reviews, 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.

Toal, Griffith + Ragula, LLC

October 13, 2015

SIDE BY SIDE INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 27,737	\$ 45,230
Contributions Receivable	<u>22,500</u>	<u>8,280</u>
Total Current Assets	50,237	53,510
Furniture and Equipment, Net of Accumulated Depreciation of \$567	<u>1,164</u>	<u>785</u>
Total Assets	\$ <u><u>51,401</u></u>	\$ <u><u>54,295</u></u>
<u>LIABILITES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 2,434	\$ 4,272
Payroll Liabilities	<u>1,051</u>	<u>2,977</u>
Total Current Liabilities	3,485	7,249
Net Assets:		
Unrestricted Net Assets	25,416	38,766
Temporarily Restricted Net Assets	<u>22,500</u>	<u>8,280</u>
Total Net Assets	<u>47,916</u>	<u>47,046</u>
Total Liabilities and Net Assets	\$ <u><u>51,401</u></u>	\$ <u><u>54,295</u></u>

See independent accountant's review report and accompanying notes to financial statements.

SIDE BY SIDE INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUES			
Grants and Contributions	\$ 96,501	\$ 22,500	\$ 119,001
Fundraising Events	27,296	-	27,296
Inkind Donations	7,340	-	7,340
Release from Restrictions	<u>8,280</u>	<u>(8,280)</u>	<u>-</u>
Total Support and Revenues	139,417	14,220	153,637
EXPENSES			
Program Services	108,606	-	108,606
Management and General	20,894	-	20,894
Fundraising	<u>23,267</u>	<u>-</u>	<u>23,267</u>
Total Expenses	<u>152,767</u>	<u>-</u>	<u>152,767</u>
Change in Net Assets	(13,350)	14,220	870
Net Assets:			
Beginning of Year	<u>38,766</u>	<u>8,280</u>	<u>47,046</u>
End of Year	<u>\$ 25,416</u>	<u>\$ 22,500</u>	<u>\$ 47,916</u>

See independent accountant's review report and accompanying notes to financial statements.

SIDE BY SIDE INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUES			
Grants and Contributions	\$ 96,324	\$ 8,280	\$ 104,604
Fundraising Events	24,493	-	24,493
Inkind Donations	20,540	-	20,540
Release from Restrictions	<u>1,750</u>	<u>(1,750)</u>	<u>-</u>
Total Support and Revenues	143,107	6,530	149,637
EXPENSES			
Program Services	89,086	-	89,086
Management and General	17,103	-	17,103
Fundraising	<u>17,720</u>	<u>-</u>	<u>17,720</u>
Total Expenses	<u>123,909</u>	<u>-</u>	<u>123,909</u>
Change in Net Assets	19,198	6,530	25,728
Net Assets:			
Beginning of Year	<u>19,568</u>	<u>1,750</u>	<u>21,318</u>
End of Year	<u>\$ 38,766</u>	<u>\$ 8,280</u>	<u>\$ 47,046</u>

See independent accountant's review report and accompanying notes to financial statements.

SIDE BY SIDE INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Accounting Services	\$ 5,470	\$ 1,874	\$ 1,533	\$ 8,877
Advertising and Outreach	480	-	-	480
Depreciation	-	-	-	-
Fingerprinting	611	-	-	611
Inkind Goods	-	-	-	-
Instructors and Interpreters	38,398	-	-	38,398
Insurance	1,875	686	564	3,125
Miscellaneous	-	408	2,315	2,723
Occupancy	7,304	340	278	7,922
Office	2,265	2,815	963	6,043
Postage and Printing	2,671	58	791	3,520
Program Meals	10,505	-	-	10,505
Professional Fees	-	2,200	1,800	4,000
Program Supplies	4,027	-	-	4,027
Salary and Related Costs	33,857	12,408	14,932	61,197
Telephone	213	62	64	339
Travel	930	43	27	1,000
	<u>930</u>	<u>43</u>	<u>27</u>	<u>1,000</u>
 Total Expenses	 \$ <u>108,606</u>	 \$ <u>20,894</u>	 \$ <u>23,267</u>	 \$ <u>152,767</u>

See independent accountant's review report and accompanying notes to financial statements.

SIDE BY SIDE INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Accounting Services	\$ 4,751	\$ 1,787	\$ 1,168	\$ 7,706
Advertising and Outreach	1,710	635	645	2,990
Depreciation	-	196	-	196
Events	-	-	2,718	2,718
Fingerprinting	2,015	-	-	2,015
Inkind Goods	11,724	-	-	11,724
Instructors and Interpreters	21,113	100	200	21,413
Miscellaneous	535	52	15	602
Occupancy	8,534	786	198	9,518
Office	1,598	2,128	1,113	4,839
Program Meals	7,374	-	-	7,374
Program Supplies	4,397	-	-	4,397
Salary and Related Costs	<u>25,335</u>	<u>11,419</u>	<u>11,663</u>	<u>48,417</u>
 Total Expenses	 <u>\$ 89,086</u>	 <u>\$ 17,103</u>	 <u>\$ 17,720</u>	 <u>\$ 123,909</u>

See independent accountant's review report and accompanying notes to financial statements.

SIDE BY SIDE INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 870	\$ 25,728
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Donated Fixed Assets	(750)	(981)
Depreciation	-	196
Increase in Contributions Receivable	(14,220)	(6,530)
(Increase) Decrease in Accounts Payable	(1,838)	4,123
(Increase) Decrease in Payroll Liabilities	<u>(1,926)</u>	<u>1,144</u>
Net Cash Provided (Used) by Operating Activities	(17,864)	23,680
CASH FLOWS FROM INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	(17,864)	23,680
Cash Balance, Beginning of Year	<u>45,230</u>	<u>21,550</u>
Cash Balance, End of Year	<u>\$ 27,366</u>	<u>\$ 45,230</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for:		
Income Taxes	<u>\$ -</u>	<u>\$ -</u>
Interest	<u>\$ -</u>	<u>\$ -</u>

See independent accountant's review report and accompanying notes to financial statements.

SIDE BY SIDE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Side by Side Inc. (the Organization) is a faith-based nonprofit organization that works to strengthen Prince George's County elementary schools in Laurel, Maryland. We are convinced that we and others in the community can and should build up local public schools into a source of pride and the best possible launching pads for children's bright futures. Side by Side Inc. provides its Great Start program at six elementary schools. This is a series of free workshop evenings in English and Spanish for pre-kindergarten to second grade parents. The parents find out what their children are expected to learn in the current year, and are given home activities to help in that learning. Topics include behavior, reading, and math. The evenings include a meal for the entire family and children's activities. The partner schools are Bond Mill, Deerfield Run, James Harrison, Laurel, Montpelier, and Scotchtown Hills. The Organization is primarily supported by contributions, grants, and special events.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting whereby revenue is recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The Organization's financial reporting classifies resources, for accounting and reporting purposes, into three net asset categories according to externally (donor) imposed restrictions. The Organization records unconditional promises to give (pledges) as receivables and revenues and distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the three net asset categories follows.

- Permanently Restricted - the portion of the net assets resulting from contributions and other inflows of assets whose use is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- Temporarily Restricted - the portion of the net assets resulting from contributions or other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
- Unrestricted - the portion of the net assets that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted. There were no permanently restricted net assets as of June 30, 2015 and 2014, respectively.

SIDE BY SIDE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require 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.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is, however, subject to tax on business income unrelated to the Organization's exempt purpose. No provision for income taxes is reflected in the accompanying financial statements for the years ended June 30, 2015 and 2014, since the Organization has no taxable income from unrelated business activities.

The Organization's informational filings are subject to audit by the Internal Revenue Service, generally for three years after filing.

Cash and Cash Equivalents

The Organization considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Pledges and Grants Receivable

Pledges and grants receivable consist of unconditional promises to give as of June 30, 2015 and 2014, respectively. All pledges and grants are expected to be collected in the subsequent year. All amounts are considered to be fully collectible as of June 30, 2015 and 2014, respectively.

Property and Equipment

Equipment is recorded at cost if purchased, or fair market value at time of donation if donated. Acquisition of property and equipment with a useful life of one year or greater is capitalized. The costs of maintenance and repairs are charged to expense as incurred; significant renewals and betterments are capitalized. Depreciation is calculated using the straight line method over the estimated useful lives of the assets as follows:

Equipment 5 Years

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation or amortization are removed from the accounts and any resulting gain or loss is recognized in income for the period.

SIDE BY SIDE INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Goods

Donations of materials are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Donated Facilities

The Organization receives donated facility space from multiple sources. The Organization recognizes the market value of this space as an inkind contribution and reflects revenue and rent expense in the statements of activities.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising

All advertising costs are expensed as incurred.

Subsequent Events

The Organization evaluated subsequent events through the date that the financial statements were available to be issued. The Organization is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to October 13, 2015 that would have a material impact on the financial statements.

SIDE BY SIDE INC.
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

NOTE 2 - DONATED FACILITIES

The value of donated facilities included as contributions in the financial statements and the corresponding expenses for the years ended June 30, 2015 and 2014 are as follows:

<u>2015</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Donated Facilities	\$ <u>6,377</u>	\$ <u>---</u>	\$ <u>---</u>	\$ <u>6,377</u>
<u>2014</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Donated Facilities	\$ <u>7,171</u>	\$ <u>600</u>	\$ <u>---</u>	\$ <u>7,771</u>

NOTE 3 - TEMPORARILY RESTRICTED NET ASSETS

At June 30, 2015 and 2014, temporarily restricted net assets were available for the following purposes:

	<u>2015</u>	<u>2014</u>
Time Restricted	\$ <u>22,500</u>	\$ <u>8,280</u>