


NEW ENGLAND  
ARCHIVISTS, INC.

FINANCIAL STATEMENTS  
(UNAUDITED)

DECEMBER 31, 2012 AND 2011

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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, 2012 and 2011, 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, 2012 and 2011. 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  
June 27, 2013



NEW ENGLAND ARCHIVISTS, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2012 AND 2011  
-See Accountant's Review Report-

	<u>2012</u>	<u>2011</u>
<u>Assets</u>		
Current:		
Cash	\$ 82,236	\$ 67,871
Marketable securities	15,969	15,967
Deposit –bulk mail	768	408
Total current assets	98,973	84,246
Fixed assets:		
Computer & software	979	979
Accumulated depreciation	( 887)	( 706)
Total fixed assets	92	273
 Total Assets	 \$ 99,065	 \$ 84,519
<u>Liabilities</u>		
Current:		
Unearned dues	\$ 2,267	\$ 1,424
Accounts payable	-	1,299
Total Liabilities	2,267	2,723
<u>Net Assets</u>		
Unrestricted:		
General	83,094	67,872
Hale Award –board designated	1,366	1,366
Temporarily restricted:		
Hale Award	11,548	12,443
Haas Award	790	115
Total Net Assets	96,798	81,796
Total Liabilities and Net Assets	\$ 99,065	\$ 84,519

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, 2012 AND 2011  
-See Accountant's Review Report-

	<u>2012</u>	<u>2011</u>
Changes in unrestricted net assets:		
Revenue, gains and other support:		
Membership dues	\$ 14,154	\$ 14,897
Meetings	27,517	19,022
Educational workshops	3,347	5,410
Vendor sponsorships	8,020	6,140
Other meeting/workshop	-	940
Book sale	1,948	-
Newsletter ads	1,065	1,015
Mailing lists	-	100
Investment income	25	3
Miscellaneous	53	10
Returned donation -ARMA	1,000	-
	<u>57,129</u>	<u>47,537</u>
Net assets released from restrictions	1,000	425
	<u>58,129</u>	<u>47,962</u>
Expenses and losses:		
Committees	7,045	8,688
Meetings & workshops	19,686	18,514
Newsletter	12,741	12,340
Board and administrative	2,254	1,900
Awards	1,000	2,425
Depreciation	181	181
	<u>42,907</u>	<u>44,048</u>
Change in unrestricted net assets	<u>15,222</u>	<u>3,914</u>
Change in temporarily restricted net assets:		
Donations to Hale Award	96	145
Donations to Haas Award	76	115
Returned donations -ARMA	599	-
Investment income	9	29
Net assets released from restrictions	( 1,000)	( 425)
Change in temporarily restricted net assets	<u>( 220)</u>	<u>( 136)</u>
Change in net assets	15,002	3,778
Net assets, beginning of year	81,796	78,018
Net assets, end of year	<u>\$ 96,798</u>	<u>\$ 81,796</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, 2012 AND 2011  
-See Accountant's Review Report-

	<u>2012</u>	<u>2011</u>
Cash flows from operations:		
Received for dues	\$ 14,997	\$ 13,471
Received for meetings & workshops	30,864	25,372
Vendor sponsorships	8,020	6,140
Proceeds - sale of books, advertising & mailing lists	3,013	1,115
Donations	222	260
Interest/dividends received	34	32
Miscellaneous	2	10
Returned donation -ARMA	1,599	-
Awards	( 1,000)	( 2,425)
Paid to suppliers	( 43,384)	( 40,291)
Net cash provided (used) by operations	14,367	3,684
Cash flows from investing activities:		
Purchase equipment	-	-
Marketable securities –reinvested income	( 2)	( 3)
Net cash provided (used) by investing	( 2)	( 3)
Net increase (decrease) in cash	14,365	3,681
Cash & equivalents, beginning of year	67,871	64,190
Cash & equivalents, end of year	\$ 82,236	\$ 67,871

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

Change in net assets	\$ 15,002	\$ 3,778
Reconciling items:		
Depreciation	181	181
(Increase) decrease in bulk mail deposit	( 360)	116
Increase (decrease) in unearned dues	843	( 1,426)
Increase (decrease) in accounts payable	( 1,299)	1,035
Net cash provided (used) by operations	\$ 14,367	\$ 3,684

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, 2012  
-See Accountant's Review Report-

	<u>Membership</u>	<u>Nominating</u>	<u>Education</u>	<u>Communications</u>
Accountant	\$ -	\$ -	\$ -	\$ -
Advertising	-	-	-	230
Awards	-	-	-	-
Books	-	-	-	-
Catering	-	-	1,046	-
Contract services	356	463	-	-
Contributions	-	-	-	-
Dues & subscriptions	-	-	-	-
Facilities	-	-	622	-
Fees	-	-	-	-
Honoraria/speaker fees	-	-	2,700	-
Licensing	-	-	-	-
Postage & delivery	-	-	(22)	180
Printing & reproduction	-	-	6	442
Refunds	29	-	40	-
Software	-	-	-	-
Supplies	11	-	11	-
Travel	-	-	493	-
Miscellaneous	-	-	-	-
Total 2012	<u>\$ 396</u>	<u>\$ 463</u>	<u>\$ 4,896</u>	<u>\$ 852</u>
Total 2011	<u>\$ 3,326</u>	<u>\$ 462</u>	<u>\$ 4,019</u>	<u>\$ 232</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, 2012  
-See Accountant's Review Report-

	<u>Web</u>	<u>Development</u>	<u>Diversity Task Force</u>	<u>Total Committee</u>
Accountant	\$ -	\$ -	\$ -	\$ -
Advertising	-	-	-	<b>230</b>
Awards	-	-	-	-
Books	-	-	-	-
Catering	-	-	-	<b>1,046</b>
Contract services	228	-	-	<b>1,047</b>
Contributions	-	-	-	-
Dues & subscriptions	-	-	-	-
Facilities	-	-	-	<b>622</b>
Fees	-	-	-	-
Honoraria/speaker fees	-	-	-	<b>2,700</b>
Licensing	95	-	-	<b>95</b>
Postage & delivery	-	73	-	<b>231</b>
Printing & reproduction	-	-	42	<b>490</b>
Refunds	-	-	-	<b>69</b>
Software	-	-	-	-
Supplies	-	-	-	<b>22</b>
Travel	-	-	-	<b>493</b>
Miscellaneous	-	-	-	-
Total 2012	<u>\$ 323</u>	<u>\$ 73</u>	<u>\$ 42</u>	<u>\$ 7,045</u>
Total 2011	<u>\$ 541</u>	<u>\$ 108</u>	<u>\$ 0</u>	<u>\$ 8,688</u>

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NEW ENGLAND ARCHIVISTS, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2012  
-See Accountant's Review Report-

	<u>Spring</u>	<u>Fall</u>	<b>Total Meetings</b>	<b>Newsletter</b>
Accountant	\$ -	\$ -	\$ -	\$ -
Advertising	-	-	-	-
Awards	-	-	-	<b>200</b>
Books	1,520	-	<b>1,520</b>	-
Catering	5,370	7,837	<b>13,207</b>	-
Contract services	-	-	-	<b>3,952</b>
Contributions	-	-	-	-
Dues & subscriptions	-	-	-	-
Facilities	803	660	<b>1,463</b>	-
Fees	-	-	-	-
Honoraria/speaker fees	1,225	-	<b>1,225</b>	-
Licensing	-	-	-	-
Postage & delivery	351	-	<b>351</b>	<b>1,132</b>
Printing & reproduction	899	706	<b>1,605</b>	<b>7,457</b>
Refunds	-	27	<b>27</b>	-
Software	-	-	-	-
Supplies	11	277	<b>288</b>	-
Travel	-	-	-	-
Miscellaneous	-	-	-	-
Total 2012	<u>\$ 10,179</u>	<u>\$ 9,507</u>	<u>\$ 19,686</u>	<u>\$ 12,741</u>
Total 2011	<u>\$ 14,990</u>	<u>\$ 3,524</u>	<u>\$ 18,514</u>	<u>\$ 12,340</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, 2012

-See Accountant's Review Report-

	<u>Board</u>	<u>Total 2012</u>	<u>Total 2011</u>
Accountant	\$ 1,200	\$ 1,200	\$ 1,100
Advertising	-	230	326
Awards	-	200	231
Books	-	1,520	-
Catering	-	14,253	11,708
Contract services	-	4,999	6,784
Contributions	-	-	-
Dues & subscriptions	699	699	446
Facilities	-	2,085	3,686
Fees	240	240	702
Honoraria/speaker fees	-	3,925	2,850
Licensing	-	95	541
Postage & delivery	5	1,719	2,119
Printing & reproduction	24	9,576	9,919
Refunds	-	96	230
Software	-	-	-
Supplies	50	360	110
Travel	36	529	690
Miscellaneous	-	-	-
Total 2012	\$ <u>2,254</u>	\$ <u>41,726</u>	
Total 2011			\$ <u>41,442</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, 2012 AND 2011

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, 2012 AND 2011

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, 2012 AND 2011

Note 2 – Marketable Securities

Cash was invested as follows:

	2012		2011	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Money Market Funds	\$ 15,969	\$ 15,969	\$ 15,967	\$ 15,967
Equity Mutual Funds	-	-	-	-
Marketable securities	\$ 15,969	\$ 15,969	\$ 15,967	\$ 15,967

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 31<sup>st</sup>. 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 2012 and 2011 of \$ 96 and \$ 145, 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 2012 and 2011. The awards were recorded as withdrawals from the restricted fund in 2012 and the unrestricted board designated fund in 2011.

Note 4 – Haas Award

The ‘Richard L. Haas 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 2012 and 2011 of \$ 76 and \$ 115, 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, 2012 AND 2011

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, 2012 and 2011.

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 June 27, 2013, the date the financial statements were available to be issued