

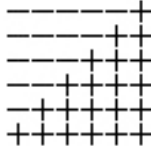
MaineShare

***FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION***

Years Ended December 31, 2015 and 2014

TABLE OF CONTENTS

	Pages
<u>INDEPENDENT AUDITOR'S REPORT</u>	1-2
<u>FINANCIAL STATEMENTS</u>	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets (Deficit)	4
Statements of Cash Flows	5
Notes to Financial Statements	6-8
<u>SUPPLEMENTARY INFORMATION</u>	
Schedules of Expenses	10
Schedule of Payments to Members and Fiscal Agent Contracts	11



Robustelli · Soucy · Hussey, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
MaineShare
Augusta, Maine

We have audited the accompanying financial statements of MaineShare (a nonprofit Organization) which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of MaineShare, as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules on pages 10 - 11 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Robustelli · Soucy · Hussey, PA
CERTIFIED PUBLIC ACCOUNTANTS
Lewiston, Maine

July 12, 2016

MaineShare
STATEMENTS OF FINANCIAL POSITION
December 31, 2015 and 2014

<u>ASSETS</u>	<u>2015</u>	<u>2014</u>
CURRENT ASSETS		
Cash and cash equivalents - unrestricted	\$ 21,144	\$ 13,762
Cash and cash equivalents - restricted	266,322	250,364
Total cash and cash equivalents	<u>287,466</u>	<u>264,126</u>
Pledges receivable	496,135	579,507
Less: allowance for uncollectible pledges	23,841	26,954
Net pledges receivable	<u>472,294</u>	<u>552,553</u>
Total current assets	<u>759,760</u>	<u>816,679</u>
EQUIPMENT		
Equipment	12,355	12,355
Less: accumulated depreciation	10,633	10,060
Net equipment	<u>1,722</u>	<u>2,295</u>
TOTAL ASSETS	<u>\$ 761,482</u>	<u>\$ 818,974</u>
 <u>LIABILITIES AND NET ASSETS</u>		
	<u>2015</u>	<u>2014</u>
CURRENT LIABILITIES		
Accounts payable	\$ 17,397	\$ 9,669
Accrued expenses	7,116	6,809
Line of Credit - Bangor Savings Bank	30,210	12,765
Deferred revenues	28,907	28,011
Due to designated charities	738,616	802,917
Total current liabilities	<u>822,246</u>	<u>860,171</u>
TOTAL LIABILITIES	<u>822,246</u>	<u>860,171</u>
NET ASSETS (DEFICIT)		
Unrestricted:		
General operating	(60,764)	(47,279)
Board designated	0	6,082
Total unrestricted	<u>(60,764)</u>	<u>(41,197)</u>
TOTAL NET ASSETS (DEFICIT)	<u>(60,764)</u>	<u>(41,197)</u>
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	<u>\$ 761,482</u>	<u>\$ 818,974</u>

(See Accompanying Notes and Independent Auditors' Report)

MaineShare
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (DEFICIT)
Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent	Amount	Percent
UNRESTRICTED REVENUES AND OTHER SUPPORT				
Administrative fees	\$ 45,046	25.7%	\$ 44,118	25.3%
MSECCA fee	29,934	17.1%	32,004	18.3%
Contributions	54,217	30.9%	32,880	18.8%
Membership dues	26,695	15.2%	24,490	14.0%
Grant income	2,000	1.1%	7,000	4.0%
Hike and bike	5,509	3.1%	4,169	2.4%
In-Kind revenues	0	0.0%	1,650	0.9%
Interest income	95	0.1%	72	0.0%
MaineShare Fair	11,087	6.3%	0	0.0%
25th anniversary income	0	0.0%	27,299	15.6%
Other income	868	0.5%	945	0.5%
	<u>175,451</u>	<u>100.0%</u>	<u>174,627</u>	<u>100.0%</u>
Total Unrestricted Revenues and Other Support				
NON MSECCA EXPENSES	183,557	104.6%	172,386	98.7%
MSECCA COST	11,461	6.6%	12,006	6.9%
Total Expenses	<u>195,018</u>	<u>111.2%</u>	<u>184,392</u>	<u>105.6%</u>
Increase (decrease) in Unrestricted Net Assets (Deficit)	(19,567)	<u>-11.2%</u>	(9,765)	<u>-5.6%</u>
NET ASSETS (DEFICIT), BEGINNING OF YEAR	<u>(41,197)</u>		<u>(31,432)</u>	
NET ASSETS (DEFICIT), END OF YEAR	<u>\$ (60,764)</u>		<u>\$ (41,197)</u>	

(See Accompanying Notes and Independent Auditors' Report)

MaineShare
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets (deficit)	\$ (19,567)	\$ (9,765)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation	573	249
Net (increase) decrease in assets:		
Pledges receivable, net	80,259	(59,540)
Net increase (decrease) in liabilities:		
Accounts payable	7,728	4,730
Accrued expenses	307	(424)
Deferred revenues	896	1,849
Due to designated charities	(64,301)	97,018
	5,895	34,117
Net cash provided by (used in) operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property and equipment	0	(1,771)
	0	(1,771)
Net cash provided by (used in) investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net borrowings (repayments) on line of credit	17,445	(1,382)
	17,445	(1,382)
Net cash provided by (used in) financing activities		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	23,340	30,964
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	264,126	233,162
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 287,466	\$ 264,126

(See Accompanying Notes and Independent Auditors' Report)

MaineShare
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Note 1 - **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

MaineShare is a nonprofit corporation organized under the laws of the State of Maine and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization is not classified as a private foundation.

MaineShare's mission is to provide significant support to organizations doing progressive social justice and root cause work in Maine and to raise public awareness of their work.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. 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. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

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 Agency to use all or part of the income earned on any related investments for general or specific purposes.

Contract Revenue and Administrative Fees

MaineShare has a contract with the Maine State Employees Combined Charitable Appeal program (MSECCA) to administer the donated funds for various member organizations. MSECCA reimburses MaineShare for the costs incurred to manage the funds. The Organization reports the payment as a fee for service revenue. This fee varies from year to year, based on the costs incurred by MaineShare to manage the funds.

MaineShare charges an administrative fee of 15% on all other workplace donations (excluding MSECCA) that the Organization manages. The fee is earned as the donations are distributed to the member organizations.

Funds received under the MSECCA agreement and 85% of funds received from all other workplace participant organizations are distributed to member organizations according to the directives of the individuals making the donation. These funds are held in an agency capacity and therefore, are not included in the Organization's revenue figure, but rather are presented as assets and liabilities.

Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The Organization had no cash equivalents at December 31, 2015 or 2014.

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.

MaineShare
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Note 1 - **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – Continued

Advertising Cost

The Organization expenses advertising as incurred. Advertising expense was \$640 and \$1,874 for 2015 and 2014, respectively.

Pledges Receivable and Due to Designated Charities

Mainshare generally conducts workplace giving campaigns from Labor Day through Thanksgiving. Pledges receivable from these campaigns are collected in the following year and are recorded as a liability Due to Designated Charities at their net realizable value based on amounts expected to be collected from donors. An allowance is used to adjust the pledges annually to the net realizable values based on past collection history.

Property and Equipment

Property and equipment is stated at cost if purchased and at fair market value if donated. Depreciation is computed over the estimated useful lives of the assets using the straight-line method. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to expense as incurred, whereas significant renewals and betterments are capitalized. The estimated useful lives of equipment are 5 – 10 years. Depreciation expense for the years ended December 31, 2015 and 2014 was \$573 and \$249, respectively.

Fair Value Measures

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. U.S. accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The following provides a description of the three levels of inputs that may be used to measure fair value: Level 1 inputs - Consist of unadjusted quoted prices as of the measurement date, in active markets for identical assets. Level 2 inputs - Consist of other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date, and fair value can be determined through the use of models or other valuation methodologies. Level 3 inputs – Consist of unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk. The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 and Level 3 inputs are only used when Level 1 inputs are not available. No Level 1 or 2 inputs were used during the years.

Level 3 Fair Value Measurements

The fair values of pledges are based on the value of the pledge when made, net of the allowance for uncollectible pledges.

Note 2 - **LINE OF CREDIT**

The Organization has available a \$40,000 bank line of credit for the purpose of providing short term working capital. The line of credit is unsecured and interest is due at the U.S. prime rate which was 4% at December 31, 2015. The outstanding balance on the line of credit was \$30,210 and \$12,765 at December 31, 2015 and 2014, respectively. Total interest paid on the line of credit loan during each year was \$732 and \$261, respectively.

MaineShare
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 and 2014

Note 3 - **INTEREST EXPENSE**

Total interest paid from the bank line of credit and credit cards was \$2,391 and \$1,241 for the years ended December 31, 2015 and 2014, respectively.

Note 4 - **BOARD DESIGNATED FUNDS**

During 2008, the Board of Directors designated \$10,000 for a reserve fund. Funds were used during 2009 to purchase an on-line giving program. The remaining board designated balance of \$6,082 was released by the board during 2015 and used in normal operations.

Note 5 - **IN-KIND CONTRIBUTIONS**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization. There were no in-kind contributions received in 2015. In-kind contributions received in 2014 consisted of advertising services valued at \$1,650. Volunteers also perform a variety of tasks that assist in furthering the Organization's goals and operations. These volunteer services are not recognized as contributions in the financial statements since the recognition criteria were not met.

Note 6 - **LEASE AGREEMENTS**

The Organization has a renewable yearly operating lease for its office space in Augusta, Maine. The lease calls for payments of \$352 per month plus \$10 per month for internet access. Total rent paid for the years ended December 31, 2015 and 2014 was \$4,221.

Note 7 - **FUNCTIONAL CLASSIFICATION OF EXPENSES**

The Organization provides a means for statewide nonprofits to participate in efficient workplace payroll-giving campaigns. Functional expenses related to providing this service were as follows:

	2015	2014
Direct program services	\$ 158,394	\$ 154,335
General and administrative	12,638	12,296
Fundraising	23,482	17,512
Depreciation	504	249
	\$ 195,018	\$ 184,392

Note 8 - **SUBSEQUENT EVENTS**

In March 2016, the Organization borrowed \$50,000 from Coastal Enterprises, Inc., a charitable organization, for the purpose of paying off the outstanding line of credit and credit card debt. The loan term is five years and interest is fixed at 7%.

MaineShare has evaluated subsequent events through July 12, 2016, the date at which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

MaineShare
SCHEDULES OF EXPENSES
Years Ended December 31, 2015 and 2014

	2015		2014	
	Amount	Percent	Amount	Percent
NON MSECCA EXPENSES				
Wages	\$ 113,306	64.6%	\$ 108,545	62.2%
Accounting	7,200	4.1%	7,200	4.1%
Advertising and marketing	640	0.4%	1,874	1.1%
Bookkeeping	2,951	1.7%	2,723	1.6%
Depreciation	573	0.3%	249	0.1%
Dues and subscriptions	724	0.4%	1,179	0.7%
Information technology	9,165	5.2%	2,386	1.4%
Insurance - other	2,219	1.3%	1,876	1.1%
Interest expense	2,391	1.4%	1,241	0.7%
Office supplies and expenses	1,171	0.7%	2,594	1.5%
Payroll processing fees	1,135	0.6%	1,076	0.6%
Postage	1,733	1.0%	2,610	1.5%
Printing and publication	8,032	4.6%	9,260	5.3%
Professional development	185	0.1%	398	0.2%
Rent	4,221	2.4%	4,221	2.4%
Taxes - payroll	8,644	4.9%	8,336	4.8%
Telephone	1,715	1.0%	1,224	0.7%
Travel and meetings	3,101	1.8%	6,666	3.8%
25th anniversary expenses	0	0.0%	8,728	5.0%
MaineShare fair expenses	14,451	8.2%	0	0.0%
	<u>183,557</u>	<u>104.6%</u>	<u>172,386</u>	<u>98.7%</u>
Total non MSECCA expenses	<u>\$ 183,557</u>	<u>104.6%</u>	<u>\$ 172,386</u>	<u>98.7%</u>

(See Independent Auditors' Report)

MaineShare
SCHEDULE OF PAYMENTS TO MEMBERS AND FISCAL AGENT CONTRACTS
Year Ended December 31, 2015

MEMBER ORGANIZATIONS:

Bicycle Coalition of Maine	\$ 8,640
Chewonki Foundation	5,329
Coastal Enterprises, Inc	5,864
Community Financial Literacy	4,988
Consumers for Affordable Health Care	4,294
Disabilty Rights Center	5,249
Environmental Health Strategy Center	4,318
Equality Maine Foundation	7,743
Friends of Casco Bay	8,279
Genesis Community Loan Fund	4,421
GLSEN	4,178
Hardy Girls Healthy Women	6,284
Holocaust Human Rights Center of Maine	5,055
Maine Alliance for Arts Education	5,694
Maine Animal Coalition	10,579
Maine Audubon Society	10,100
Maine Center for Economic Policy	4,933
Maine Center on Deafness	4,285
Maine Citizens for Clean Elections	4,097
Maine Civil Liberties Union Foundation	6,828
Maine Coalition Against Sexual Asslt.	6,744
Maine Coalition to End Domestic Violence	8,959
Maine Council of Churches	3,604
Maine Equal Justice Partners	6,943
Maine Federation of Humane Societies	7,838
Maine Hospice Council	10,565
Maine Initiatives	4,097
Maine Labor Group on Health	3,765
Maine Organic Farmers & Gardners Assoc.	10,342
Maine Peace Fund	4,167
Maine People's Resource Center	4,819
Maine Veterans for Peace	5,091
Maine Women's Fund	9,802
Maine Women's Policy Center	5,945
Maineshare Development Fund	7,215
Mano en Mano	4,203
Natural Resources Council of Maine	8,073
Pine Tree State Arboretum	4,677
Resources for Organizing & Social Change	4,271
Sierra Club Foundation, Maine Chapter	4,750
Women, Work & Community	6,446
	253,474

FISCAL AGENT CONTRACTS:

MSECCA donations in accordance with donor request	275,755
	\$ 529,229

(See Independent Auditors' Report)