

THE NEXT STEP FUND, INC.

Financial Statements

For The Period January 1, 2018 to March 31, 2018

THE NEXT FUND, INC.

Financial Statements

For The Period January 1, 2018 to March 31, 2018

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McCarthy, Hargrave & Co.

Certified Public Accountants

Board of Directors
The Next Step Fund, Inc.
Cambridge, Massachusetts

Independent Accountants' Compilation Report

Management is responsible for the accompanying financial statements of The Next Step Fund, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2018 and the related statements of activities, functional expenses and cash flows for the period January 1, 2018 to March 31, 2018 in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

September 6, 2018

McCarthy, Hargrave & Co.

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THE NEXT STEP FUND, INC.

Statement of Financial Position

March 31, 2018

Assets

Current Assets:

Cash	\$	103,317
Pledges Receivable		<u>66,842</u>

Total Current Assets 170,159

Investments 111,242

Property and Equipment:

Equipment and Leashold Improvements		91,478
Accumulated Depreciation		<u>(34,571)</u>

Total Property and Equipment 56,907

Total Assets \$ 338,308

Liabilities and Net Assets

Current Liabilities:

Accounts Payable and Accrued Expenses	\$	<u>31,701</u>
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Total Liabilities 31,701

Net Assets:

Unrestricted		<u>306,607</u>
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Total Net Assets 306,607

Total Liabilities and Net Assets \$ 338,308

THE NEXT STEP FUND, INC.

Statement of Activities

For the Period January 1, 2018 to March 31, 2018

Revenue and Support:	
Grants and Contributions	\$ 27,906
Program Revenue	19,599
Special Events Revenue Less Expenses of \$ 19,968	59,730
Unrealized Loss on Investments	(1,109)
Interest and Dividends	71
Release From Restriction	67,500
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Total Revenue and Support	173,697
Expenses:	
Support and Educational Programs	130,164
Management and General	24,094
Fundraising	18,663
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Total Expenses	172,921
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Change in Unrestricted Net Assets	776
Unrestricted Net Assets at Beginning of Year	305,831
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Unrestricted Net Assets at End of Year	306,607
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Release From Restriction	(67,500)
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Change in Temporarily Restricted Net Assets	(67,500)
Temporarily Restricted Net Assets at Beginning of Year	67,500
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Temporarily Restricted Net Assets at End of Year	-
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Net Assets at Beginning of Year	373,331
Change in Net Assets	(66,724)
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Net Assets at End of Year	\$ 306,607
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THE NEXT STEP FUND, INC.

Statement of Functional Expenses

For The Period January 1, 2018 to March 31, 2018

	Support And Educational Programs	Management And General	Fundraising	Total
Salaries and Wages	\$ 59,722	\$ 11,944	\$ 15,583	\$ 87,249
Consulting Staff	16,099			16,099
Program Facility Rental	13,298			13,298
Rent and Parking	7,285	809		8,094
Marketing		297	598	895
Travel and Meetings Expense	19,255	(75)	10	19,190
Program Supplies	3,333			3,333
Office Supplies	740	8,636	877	10,253
Payroll Taxes	5,433	1,245	1,441	8,119
Depreciation	2,283			2,283
Employee Benefits	1,710	325	79	2,114
Telephone and Postage	1,006	264	75	1,345
Payroll Service Fees		649		649
	\$ 130,164	\$ 24,094	\$ 18,663	\$ 172,921

THE NEXT STEP FUND, INC.

Statement of Cash Flows

For the Period January 1, 2018 to March 31, 2018

Cash Flow From Operating Activities:	
Change in Net Assets	\$ (66,724)
Adjustments To Reconcile The Change In Net Assets To Net Cash Provided by Operating Activities:	
Depreciation	2,283
Unrealized Loss on Investments	1,109
Pledges Receivable	(10,392)
Accounts Payable and Accrued Expenses	<u>22,136</u>
Cash Flow Used By Operating Activities	<u>(51,588)</u>
Cash Flow From Investing Activities:	
Purchases of Investments	<u>(71)</u>
Cash Flow Used By Investing Activities	<u>(71)</u>
Net Decrease in Cash	(51,659)
Cash, Beginning of Year	<u>154,976</u>
Cash, End of Year	<u><u>\$ 103,317</u></u>