

**THE BOTTOM LINE, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2016 AND 2015 (Restated)**  
**(WITH INDEPENDENT AUDITORS' REPORT THEREON)**

**THE BOTTOM LINE, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2016 AND 2015 (Restated)**

**TABLE OF CONTENTS**

INDEPENDENT AUDITORS' REPORT	1-2
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Statements of Functional Expenses	6-7
Notes to Financial Statements	8-14

# Bruce D. Norling, CPA, P.C.

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The Bottom Line, Inc.  
Boston, Massachusetts

We have audited the accompanying financial statements of The Bottom Line, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, functional expenses, 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 The Bottom Line, Inc. as of June 30, 2016 and 2015, 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.

## **Emphasis-of-Matter Regarding Restatement of June 30, 2015**

As more fully described in Note 10, subsequent to the issuance of The Bottom Line Inc.'s 2015 financial statements, we became aware that the 2015 financial statements reflected incorrect assets, liabilities, revenue, expense, and net assets. In our original report, we issued an unqualified opinion, and our opinion on the restated financial statements remains unqualified.

*Bruce D. Norling, CPA, P.C.*

December 12, 2016

**THE BOTTOM LINE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2016 AND 2015 (Restated)**

	<u>2016</u>	<u>2015</u> <u>(Restated)</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 4,202,966	\$ 2,884,939
Contributions Receivable	2,932,571	2,772,440
Prepaid Expenses	108,340	71,393
Total Current Assets	<u>7,243,877</u>	<u>5,728,772</u>
<b>PROPERTY AND EQUIPMENT</b>		
Furniture and Equipment	585,033	523,218
Construction in Progress	25,200	-
Leasehold Improvements	116,295	94,704
Total Property and Equipment	726,528	617,922
Less: Accumulated Depreciation	<u>(466,375)</u>	<u>(398,004)</u>
Total Property and Equipment, Net	<u>260,153</u>	<u>219,918</u>
<b>INTANGIBLES</b>		
Database and Website	380,245	141,563
Less: Accumulated Amortization	<u>(147,674)</u>	<u>(141,563)</u>
Total Intangibles, Net	<u>232,571</u>	<u>-</u>
<b>OTHER ASSETS</b>		
Deposits	58,224	58,224
Contributions Receivable, Long-Term, Net	426,509	946,881
Lease Acquisition Costs, Net	167	2,167
Total Other Assets	<u>484,900</u>	<u>1,007,272</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 8,221,501</u></u>	<u><u>\$ 6,955,962</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 169,132	\$ 57,092
Accrued Expenses	454,593	100,908
Total Current Liabilities	<u>623,725</u>	<u>158,000</u>
<b>LONG-TERM LIABILITIES</b>		
Deferred Rent	187,586	167,925
Total Long-Term Liabilities	<u>187,586</u>	<u>167,925</u>
<b>TOTAL LIABILITIES</b>	<u>811,311</u>	<u>325,925</u>
<b>NET ASSETS</b>		
Unrestricted	5,401,668	4,635,899
Temporarily Restricted	2,008,522	1,994,138
Total Net Assets	<u>7,410,190</u>	<u>6,630,037</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 8,221,501</u></u>	<u><u>\$ 6,955,962</u></u>

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

**THE BOTTOM LINE, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2016 AND 2015 (Restated)**

	2016		2015 (Restated)			
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>REVENUES AND OTHER SUPPORT</b>						
Contributions	\$ 7,350,509	\$ 863,439	\$ 8,213,948	5,323,460	150,000	5,473,460
Scholarship Contributions	-	126,616	126,616	-	389,000	389,000
Program Revenue	322,131	-	322,131	272,100	-	272,100
In-Kind contributions	-	-	-	12,865	-	12,865
Special Events						
Revenue	2,368,786	-	2,368,786	2,106,532	-	2,106,532
Direct Expenses of Special Events	(348,229)	-	(348,229)	(487,677)	-	(487,677)
Special Events, Net	2,020,557	-	2,020,557	1,618,855	-	1,618,855
Interest and Other Income	3,587	-	3,587	(663)	-	(663)
Net Assets Released from Restriction	975,671	(975,671)	-	784,897	(784,897)	-
Total Revenue and Support	10,672,455	14,384	10,686,839	8,011,514	(245,897)	7,765,617
<b>EXPENSES</b>						
Program Services	7,260,642	-	7,260,642	5,659,046	-	5,659,046
Administration	859,025	-	859,025	676,312	-	676,312
Fundraising	1,787,019	-	1,787,019	999,558	-	999,558
Total Expenses	9,906,686	-	9,906,686	7,334,916	-	7,334,916
<b>CHANGES IN NET ASSETS</b>	765,769	14,384	780,153	676,598	(245,897)	430,701
<b>NET ASSETS, BEGINNING OF YEAR</b>	4,635,899	1,994,138	6,630,037	3,959,301	2,240,035	6,199,336
<b>NET ASSETS, END OF YEAR</b>	\$ 5,401,668	\$ 2,008,522	\$ 7,410,190	4,635,899	1,994,138	6,630,037

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

**THE BOTTOM LINE, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2016 AND 2015 (Restated)**

	<b>2016</b>	<b>2015 (Restated)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in Net Assets	\$ 780,153	\$ 430,701
Adjustments to Reconcile changes in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation and Amortization	76,483	103,056
Contributions Restricted for Long-Term Purposes	(267,150)	(653,669)
(Increase) Decrease Contributions Receivable	627,391	(105,426)
(Increase) Decrease Prepaid Expenses	(36,947)	28,720
(Increase) Decrease Deposits	-	1,411
Increase (Decrease) Accounts Payable	112,040	(97,016)
Increase (Decrease) Accrued Expenses	353,685	(2,116)
Increase (Decrease) Scholarships Payable	-	(192,436)
Increase (Decrease) Deferred Rent	19,661	122,487
Net Cash Provided by Operating Activities	1,665,316	(364,288)
 <b>CASH FLOWS USED IN INVESTMENT ACTIVITIES</b>		
Purchase of Property and Equipment	(347,289)	(32,626)
 <b>NET INCREASE IN CASH</b>	1,318,027	(396,914)
 <b>CASH</b> , Beginning of year	2,884,939	3,281,853
 <b>CASH</b> , End of year	\$ 4,202,966	\$ 2,884,939
 Non-Cash Activity:		
Contributions Receivable Restricted for Long-Term Purposes	\$ 267,150	\$ 653,669

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

**THE BOTTOM LINE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

<b>EXPENSES</b>	<u>Program Services</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and Related Expenses				
Salaries and Wages	\$ 4,397,691	\$ 449,526	\$ 1,144,145	\$ 5,991,362
Payroll Taxes and Benefits	677,126	80,506	154,832	912,464
Payroll Processing Fees	-	12,991	-	12,991
Total Salaries and Related Expenses	<u>5,074,817</u>	<u>543,023</u>	<u>1,298,977</u>	<u>6,916,817</u>
Program Expenses				
Events	125,093	-	-	125,093
Scholarships	450,447	-	-	450,447
Fee Assistance	9,046	-	-	9,046
Campus Travel	111,086	-	-	111,086
Supplies	151,978	-	-	151,978
Student Recruitment	15,288	-	-	15,288
Total Program Expenses	<u>862,938</u>	<u>-</u>	<u>-</u>	<u>862,938</u>
Occupancy				
Rent	586,042	72,503	98,387	756,932
Utilities	24,532	1,858	4,909	31,299
Repairs and Maintenance	15,710	2,656	1,989	20,355
Depreciation and Amortization	61,187	7,648	7,648	76,483
Parking	6,967	501	-	7,468
Total Occupancy Expenses	<u>694,438</u>	<u>85,166</u>	<u>112,933</u>	<u>892,537</u>
Operational				
Consultants and Temporary Staffing	116,606	64,231	77,703	258,540
Bank and Credit Card Fees	40	9,915	23,285	33,240
Advertising and Public Relations	72,957	110	19,070	92,137
Insurance	16,271	2,034	2,034	20,339
Training and Development	25,720	14,511	12,892	53,123
Dues and Subscriptions	9,140	8,302	4,449	21,891
Postage and Printing	14,248	12,956	40,893	68,097
Professional Fees	21,836	38,815	19,098	79,749
Leases	18,508	933	3,375	22,816
Staff Training and Events	58,728	23,797	15,076	97,601
Staff Travel	58,869	22,807	49,653	131,329
Staff Recruitment	51,228	-	69,677	120,905
Office Supplies	32,333	7,269	6,294	45,896
Computer Supplies and Software	92,310	4,924	21,605	118,839
Telecommunications	38,697	10,856	6,338	55,891
Board Expenses	164	4,696	3,502	8,362
Licenses and Fees	794	4,680	165	5,639
Total Operational Expenses	<u>628,449</u>	<u>230,836</u>	<u>375,109</u>	<u>1,234,394</u>
<b>TOTAL EXPENSES</b>	<u><u>\$ 7,260,642</u></u>	<u><u>\$ 859,025</u></u>	<u><u>\$ 1,787,019</u></u>	<u><u>\$ 9,906,686</u></u>

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



**THE BOTTOM LINE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2015 (Restated)**

<b>EXPENSES</b>	Program Services	Administration	Fundraising	Total
Salaries and Related Expenses				
Salaries and Wages	\$ 3,685,246	\$ 285,665	\$ 734,527	\$ 4,705,438
Payroll Taxes and Benefits	559,193	43,346	111,456	713,995
Payroll Processing Fees	-	8,510	-	8,510
Total Salaries and Related Expenses	<u>4,244,439</u>	<u>337,521</u>	<u>845,983</u>	<u>5,427,943</u>
Program Expenses				
Events	66,313	-	-	66,313
Scholarships	26,049	-	-	26,049
Fee Assistance	20,594	-	-	20,594
Campus Travel	65,603	-	-	65,603
Supplies	124,041	-	-	124,041
Student Recruitment	19,230	-	-	19,230
Total Program Expenses	<u>321,830</u>	<u>-</u>	<u>-</u>	<u>321,830</u>
Occupancy				
Rent	508,671	60,998	6,715	576,384
Utilities	21,984	3,030	2,377	27,391
Repairs and Maintenance	6,471	46,512	405	53,388
Depreciation and Amortization	80,816	11,451	10,789	103,056
Parking	3,905	-	984	4,889
Total Occupancy Expenses	<u>621,847</u>	<u>121,991</u>	<u>21,270</u>	<u>765,108</u>
Operational				
Consultants and Temporary Staffing	213,879	84,019	24,450	322,348
Bank and Credit Card Fees	-	5,850	171	6,021
Advertising and Public Relations	21,563	1,524	39,549	62,636
Insurance	10,712	-	1,221	11,933
Training and Development	8,566	1,696	2,483	12,745
Dues and Subscriptions	10,114	6,572	7,495	24,181
Postage and Printing	15,779	5,513	13,022	34,314
Professional Fees	-	19,690	-	19,690
Leases	17,596	1,664	1,727	20,987
Staff Training and Events	41,081	37,391	10,358	88,830
Staff Travel	35,580	13,330	13,789	62,699
Staff Recruitment	3,070	15,088	1,274	19,432
Office Supplies	25,849	8,824	2,925	37,598
Computer Supplies and Software	32,209	8,064	9,492	49,765
Telecommunications	34,932	6,409	4,349	45,690
Licenses and Fees	-	1,166	-	1,166
Total Operational Expenses	<u>470,930</u>	<u>216,800</u>	<u>132,305</u>	<u>820,035</u>
<b>TOTAL EXPENSES</b>	<u>\$ 5,659,046</u>	<u>\$ 676,312</u>	<u>\$ 999,558</u>	<u>\$ 7,334,916</u>

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

**THE BOTTOM LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015 (Restated)**

**1. SUMMARY OF OPERATIONS**

The Bottom Line, Inc. (the Organization), a not-for-profit corporation located in Boston and Worcester, Massachusetts, New York, New York and Chicago, Illinois, was formed in January 1997 under the laws of the Commonwealth of Massachusetts. The mission of the Organization is to provide “at risk” students with assistance in applying to college, succeeding at college and finding financial assistance to meet the costs of higher education. The Organization operates exclusively for charitable and educational purposes and is supported primarily through contributions and fundraising events.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Financial Statement Presentation**

The financial statements of The Bottom Line, Inc. have been prepared on the accrual basis. Accordingly, assets are recorded when the Organization obtains the rights of ownership or is entitled to claims for receipt, and liabilities are recorded when the obligation is incurred. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

**Classification of Net Assets**

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

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

*Temporarily restricted net assets* - Net assets subject to donor-imposed stipulations that may or will be met 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 in perpetuity by the organization.

**Revenue Recognition**

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions and/or time restrictions. Revenues are reported as unrestricted net assets if the donor-imposed restrictions are met in the same reporting period. Expenses are reported as decreases in unrestricted net assets. Expirations of temporary restrictions on net assets are reported as reclassifications between the applicable classes of net assets.

**THE BOTTOM LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015 (Restated)**

**Contributions, Gifts and Grants**

The Organization records contributions, gifts and grants as receivables and revenue. The Organization distinguishes between contributions received for each net asset category in accordance with donor imposed restrictions. Contributions are recorded as revenue when the pledge is verified or received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor or grantor. Contributions of assets other than cash are recorded at their fair value, and as of the date the gift is received. Conditional promises to give, which depend on the occurrence of a specified future and uncertain event to bind the promisor, are recognized when the conditions on which they depend are substantially met.

During 2016, a significant amount of contributions were provided by a few contributors. It is always considered reasonably possible that benefactors, grantors or contributors might be lost in the near term.

**Contributions Receivable**

Contributions receivable within one year are recorded at carrying value. Contributions receivable over periods greater than one year are discounted and recorded at the present value of the estimated future cash flows. The discounts on these amounts are computed using risk-free interest rates applicable to the years in which the promises are made, commensurate with expected future payments. Management has determined the amounts are collectible and no allowance for uncollectible contributions receivable is needed.

**Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

**Cash and Cash Equivalents**

Cash and equivalents include bank accounts, money market mutual funds, and certificates of deposit purchased with a maturity of three months or less. Interest income on the certificates of deposit is recorded as income when earned.

The Organization maintains cash balances at three financial institutions. The Organization maintains its cash in bank deposit accounts which exceed federally insured limits and in uninsured money market mutual funds. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC insured) up to \$250,000. The Organization has not experienced any loss in such accounts. As of June 30, 2016, the uninsured balance is \$3,635,050. The Organization believes it is not exposed to any significant credit risk on its cash balances.

**THE BOTTOM LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015 (Restated)**

**Property and Equipment**

The cost of property and equipment is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the straight line method. Maintenance and repairs are expensed as incurred. The useful lives of property and equipment for purposes of computing depreciation are as follows:

Equipment	3 – 5 years
Furniture	7 years
Leasehold improvements	Life of Lease

Depreciation and amortization expense totaled \$68,372 and \$8,111 in 2016, and \$100,492 and \$2,564 in 2015, respectively.

**Fair Value of Financial Instruments**

The Organization's significant financial instruments are cash and cash equivalents and contributions receivable. The Organization believes that the carrying value of its financial instruments approximates their fair value because of the short-term maturity of those instruments.

**Deferred Rent**

The Organization recognizes operating lease expense evenly over the term of the lease. Lease escalation amounts not yet paid are included with liabilities as deferred rent.

**Nonprofit Status and Income Taxes**

The Organization is exempt from income taxes as an organization (not a private foundation) formed for charitable purposes and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Donors may deduct contributions made to the Company within Internal Revenue Code regulations. The Organization is subject to federal and state tax on income from any unrelated business. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2016.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization's federal and state income tax returns are generally open to examination for the last three years.

**Advertising**

Advertising costs are expensed as incurred. Advertising expense totaled \$654 and \$9,900 in 2016 and 2015, respectively.

**THE BOTTOM LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015 (Restated)**

**Functional Expenses**

The cost of providing the various programs and other activities of the Organization has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting services benefitted.

**3. LINE OF CREDIT**

The Organization has a revolving line of credit for \$800,000 which is due on demand. As of June 30, 2016, there were no advances on this line of credit. The Organization obtained a Letter of Credit, which is linked to the line of credit, for a landlord in the amount of \$69,088 in lieu of a security deposit for rental space.

**4. DONATED SERVICES**

The Organization recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, as provided by individuals possessing those skills, and would typically need to be purchased if not donated. The Organization recorded services totaling \$0 in 2016 and \$12,865 in 2015. Substantially all of the donated services were for staff training in 2015 and were included in staff training and events on the statement of functional expenses.

**5. CONTRIBUTIONS RECEIVABLE**

The Organization had unconditional contributions receivable from several donors at June 30, 2016 and 2015. At June 30, 2016, 21% of the pledges receivable were from one major donor. At June 30, 2015, 52% of the pledges receivable were from major donors who each made up over 10% of the receivable balance. In 2016, pledges receivable with a due date extending beyond one year are discounted at a rates of .45% and .58%, depending on the year due. In 2015 pledges receivables were discounted at a rate of 0.64%. The Organization believes all pledges are collectible as of June 30, 2016.

The Organization's future benefit from pledges at June 30, is as follows:

	<b>2016</b>	<b>2015</b>
Receivable in one year or less	\$ 2,932,571	\$ 2,772,440
Receivable in over one year and up to five years	<u>428,738</u>	<u>952,941</u>
Total pledges to be received in the future	3,361,309	3,725,381
Discount to net present value	<u>(2,229)</u>	<u>(6,060)</u>
Net pledges to be received in the future	<u>\$ 3,359,080</u>	<u>\$ 3,719,321</u>

**THE BOTTOM LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015 (Restated)**

As of June 30, 2016 the Organization was awarded restricted grants totaling \$6,421,250 that contained donor conditions regarding matching fund requirements and future program goals and benchmarks through 2019. Since these grants represent conditional promises to give, they are not recorded as contributions until donor conditions are met. As of June 30, 2016, \$1,923,400 of these conditions had been met and recorded as revenue. The remaining balance of these conditional promises to give of \$4,497,850 has not yet been recorded as revenue.

As of June 30, 2015 the Organization was awarded restricted grants totaling \$7,720,000 that contained donor conditions through 2018. As of June 30, 2015, \$3,400,000 of these conditions had been met and recorded as revenue. The remaining balance of these conditional promises to give of \$4,320,000 has not yet been recorded as revenue.

**6. RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets are released from donor restrictions by satisfying the purpose or time restriction specified by donors. At June 30, temporarily restricted net assets were available for the following purposes.

	<b>2016</b>	<b>2015</b>
Scholarships	\$ 198,202	\$ 179,606
Programs	<u>1,810,319</u>	<u>1,814,532</u>
Total Temporarily Restricted Net Assets	<u>\$ 2,008,522</u>	<u>\$ 1,994,138</u>

**7. SPECIAL FUNDRAISING EVENTS**

The following schedule represents the results of the Organization's special fundraising events for the year ended June 30, 2016:

	<b><u>Gross Revenue</u></b>	<b><u>Direct Costs</u></b>	<b><u>Net Revenues</u></b>
Get in Graduate Go Far Events			
Boston	1,326,380	176,298	1,150,082
Worcester	73,732	21,962	51,770
New York	593,100	90,485	502,615
Chicago	133,593	27,171	106,422
Boston Marathon	106,571	8,911	97,660
NYC Marathon	62,505	2,250	60,255
Other	72,905	21,152	51,753
Total	<b>\$ 2,368,786</b>	<b>\$ 348,229</b>	<b>\$ 2,020,557</b>

**THE BOTTOM LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015 (Restated)**

The following schedule represents the results of the Organization's special fundraising events for the year ended June 30, 2015:

	<b>Gross</b>	<b>Direct</b>	<b>Net</b>
	<b><u>Revenues</u></b>	<b><u>Costs</u></b>	<b><u>Revenues</u></b>
Get in, Graduate and Go Far events:			
Massachusetts	\$ 1,040,888	\$ 205,119	\$ 835,769
New York	443,243	69,219	374,024
Boston Marathon	189,102	8,776	180,326
Rodman Ride for Kids	206,473	164,022	42,451
Other	226,826	40,541	186,285
	<b>\$ 2,106,532</b>	<b>\$ 487,677</b>	<b>\$ 1,618,855</b>

**8. OPERATING LEASES**

The Organization leases its premises under various operating leases. The Organization is obligated to pay a share of the property's operating expenses and real estate taxes. The Organization also leases space for program events on a short term as needed basis and office equipment. Rent expense totaled \$756,932 in 2016 and \$576,384 in 2015. Minimum future rental payments under all non-cancelable operating leases and lease extensions are as follows:

Year ending June 30,	
2017	\$ 624,451
2018	703,706
2019	560,742
2020	369,609
2021	379,284
Thereafter	<u>1,257,188</u>
Total	<u>\$3,894,980</u>

**9. RETIREMENT PLAN**

The Organization maintains a qualified retirement plan (the Plan) under Section 403(b) of the Internal Revenue code. Under the provisions of the Plan, employees can elect to have a portion of their salary withheld and contributed to the Plan, subject to Internal Revenue Service limitations. The Organization made a 3% matching contribution of \$69,430 for the year ended June 30, 2016 and a 1% matching contribution of \$19,057 for the year ended June 30, 2015.

**THE BOTTOM LINE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016 AND 2015 (Restated)**

**10. RESTATEMENT – CORRECTIONS TO JUNE 30, 2015**

The accompanying 2015 financial statements have been restated to correct for the errors noted below.

Management has determined that scholarships payable were accrued as a liability and expense in error. Temporarily restricted net assets should have been increased for the balance of scholarship funds unspent as of June 30, 2015.

Management has determined that \$1 million in grant revenue receivable recorded in FY15 was more accurately recorded in FY16.

Management has determined \$413,046 of net assets previously reported as temporarily restricted should have been reported as released from restriction.

Net assets, scholarships payable and expense, revenue, and contributions receivable for June 30, 2015 have been restated as follows in the financial statements.

	Unrestricted Net	Temporarily	Scholarships	Scholarship	Contributions	Contributions
June 30,2015	Assets	Restricted Net	Payable	Expense	Revenue	Receivable, Current
As previously reported	5,222,853	2,203,532	203,652	229,701	6,473,460	3,772,440
Scholarship Correction		203,652	(203,652)	(203,652)		
\$1 million Correction	(1,000,000)				(1,000,000)	(1,000,000)
Net Asset Correction	413,046	(413,046)				
Restated June 30,2015	4,635,899	1,994,138	-	26,049	5,473,460	2,772,440

**11. SUBSEQUENT EVENTS**

The Organization did not have any recognized or non-recognized subsequent events after June 30, 2016, the date of the statement of financial position. Subsequent events have been evaluated through December 12, 2016, the date the financial statements were available to be issued.