



Headquarters
280 Trumbull St
24th Floor
Hartford, CT 06103
Tel: 860.522.3111
www.WAdvising.com

One Hamden Center
2319 Whitney Ave, Suite 2A
Hamden, CT 06518
Tel: 203.397.2525

14 Bobala Road #3
Holyoke, MA 01040
Tel: 413.536.3970

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To The Board of Directors
Lawyers Clearinghouse on Affordable
Housing and Homelessness, Inc.

We have reviewed the accompanying financial statements of Lawyers Clearinghouse on Affordable Housing and Homelessness, Inc. (a nonprofit organization), which comprise the statement of financial position as of August 31, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of 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'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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads 'Whittlesey PC'. The signature is written in a cursive, flowing style.

Holyoke, Massachusetts
December 14, 2018

**LAWYERS CLEARINGHOUSE ON AFFORDABLE
HOUSING AND HOMELESSNESS, INC.**

Statement of Financial Position

August 31, 2018

(See Independent Accountants' Review Report)

ASSETS

Current Assets

Cash	\$ 496,372
Prepaid expense	<u>5,715</u>

TOTAL ASSETS	<u>\$ 502,087</u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable and accrued expenses	<u>\$ 67,350</u>
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Total Current Liabilities and Total Liabilities	<u>67,350</u>
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Net Assets

Unrestricted	384,737
Temporarily restricted	<u>50,000</u>

Total Net Assets	<u>434,737</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 502,087</u>
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The accompanying notes are an integral part of the financial statements.

**LAWYERS CLEARINGHOUSE ON AFFORDABLE
HOUSING AND HOMELESSNESS, INC.**

Statement of Activities

For the Year Ended August 31, 2018

(See Independent Accountants' Review Report)

	Unrestricted	Temporarily Restricted	Total
Support and Revenue			
Grants and contributions	\$ 381,093	\$ 50,000	\$ 431,093
Fee revenue	17,090	-	17,090
Miscellaneous	352	-	352
	<u>398,535</u>	<u>50,000</u>	<u>448,535</u>
Net Assets Released From Restrictions			
Satisfaction of use restriction	<u>60,000</u>	<u>(60,000)</u>	<u>-</u>
Total Support and Revenue	<u>458,535</u>	<u>(10,000)</u>	<u>448,535</u>
Expense			
Salaries	309,999	-	309,999
Payroll taxes	25,323	-	25,323
Fringe benefits	53,031	-	53,031
Professional services	33,487	-	33,487
Advertising	4,880	-	4,880
Office, postage and copying	3,651	-	3,651
Telephone	1,370	-	1,370
Receptions and luncheon meetings	9,354	-	9,354
Rent	5,400	-	5,400
Travel	2,568	-	2,568
Insurance	5,337	-	5,337
Dues and subscriptions	3,425	-	3,425
Computer maintenance and supplies	5,173	-	5,173
Miscellaneous	<u>1,722</u>	<u>-</u>	<u>1,722</u>
Total Expense	<u>464,720</u>	<u>-</u>	<u>464,720</u>
Change in Net Assets	(6,185)	(10,000)	(16,185)
Net assets - beginning of year	<u>390,922</u>	<u>60,000</u>	<u>450,922</u>
Net Assets - End of Year	<u><u>\$ 384,737</u></u>	<u><u>\$ 50,000</u></u>	<u><u>\$ 434,737</u></u>

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

**LAWYERS CLEARINGHOUSE ON AFFORDABLE
HOUSING AND HOMELESSNESS, INC.**

Statement of Cash Flows

For the Year Ended August 31, 2018

(See Independent Accountants' Review Report)

Cash Flows From Operating Activities

Cash received from program services	\$ 17,471
Cash received from grants and contributions	431,093
Cash paid to suppliers and employees	<u>(456,345)</u>

Net Decrease in Cash (7,781)

Cash - beginning of year 504,153

Cash - End of Year \$ 496,372

**Reconciliation of Change in Net Assets to Net Cash
Used in Operating Activities:**

Change in Net Assets \$ (16,185)

**Adjustments to Reconcile Change in Net Assets
to Net Cash Used in Operating Activities:**

Accounts receivable	29
Prepaid expense	(565)
Due to Boston Bar Association	(179)
Accounts payable and accrued expenses	<u>9,119</u>

Total Adjustments 8,404

Net Cash Used in Operating Activities \$ (7,781)

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

**LAWYERS CLEARINGHOUSE ON AFFORDABLE
HOUSING AND HOMELESSNESS, INC.**

Notes to the Financial Statements

August 31, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Lawyers Clearinghouse on Affordable Housing and Homelessness, Inc. (the Clearinghouse) was organized to promote the development of affordable housing, reduce homelessness and strengthen communities by providing pro bono legal services to nonprofit organizations and to individuals who are homeless or at risk of becoming homeless.

Basis of Accounting

The financial statements of the Clearinghouse are prepared on the accrual basis.

Basis of Presentation

The net assets of the Clearinghouse are reported in each of the following three classes when applicable: (a) unrestricted net assets, (b) temporarily restricted net assets and (c) permanently restricted net assets. Net assets of the two restricted classes are created only by donor-imposed restrictions on their use. All other net assets are legally unrestricted and are reported as part of the unrestricted class. The Clearinghouse has no permanently restricted net assets.

Capitalization of Expenditures

The cost of capital assets is capitalized. Expenditures for maintenance and repairs are expensed against income as incurred.

Revenue Recognition

Grant income is recognized based upon the terms and conditions as set forth by the grantor or ratably during the performance period. Fee revenue is recognized as eligible services are rendered. Contributions are recorded when pledged.

Income Taxes

The Clearinghouse is a not-for-profit corporation under the laws of the Commonwealth of Massachusetts and is exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and accordingly does not record a provision for income taxes on its related earnings. In addition, the Clearinghouse qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Subsequent Events

The Clearinghouse has evaluated events that have occurred subsequent to August 31, 2018 through December 14, 2018, the date these financial statements were available to be issued, and has determined there were no material events requiring recognition or disclosure.

NOTE 2 – FUNCTIONAL EXPENSES

The cost of providing various program and other activities is summarized on a functional basis as follows:

Program Services

Promote the development of affordable housing, reduce homelessness and strengthen communities by providing pro bono legal services to nonprofit organizations and to individuals who are homeless or at risk of becoming homeless.	\$ 391,547
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Supporting Services

General and administrative	73,173
	<u>\$ 464,720</u>

NOTE 3 – PENSION PLAN

The Clearinghouse participates in a defined contribution pension plan covering substantially all of its employees. Pension expense for the year ended August 31, 2018 was \$20,904.

NOTE 4 – RESTRICTIONS ON NET ASSETS

There was \$50,000 of temporarily restricted net assets at August 31, 2018 available for the Legal Clinic for the homeless program.

NOTE 5 – NET ASSETS RELEASED FROM RESTRICTIONS

During the year ended August 31, 2018, net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of other events specified.

Legal Clinic for the homeless program	\$ 50,000
Immigration-related legal assistance	10,000
	<u>\$ 60,000</u>

NOTE 6 – CONCENTRATION OF CREDIT RISK

At August 31, 2018, the Clearinghouse had amounts on deposit with a bank which exceeded the \$250,000 amount covered by FDIC Insurance by \$246,997.