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MY BROTHER'S TABLE, INC.

**REPORT ON AUDIT
OF FINANCIAL STATEMENTS**

MARCH 31, 2013 AND 2012

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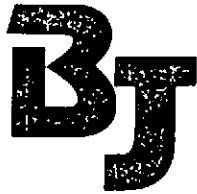
MY BROTHER'S TABLE, INC.

REPORT ON AUDIT OF FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2013 AND 2012

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Bernard, Johnson & Company, P.C.
Certified Public Accountants and Business Advisors

2013
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016465

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
My Brother's Table, Inc.

We have audited the accompanying financial statements of My Brother's Table, Inc. (a Massachusetts corporation, not for profit) which comprise the statements of financial position as of March 31, 2013, and the related statements of activities, functional expenses and cash flows for the year 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 U.S. generally accepted accounting principles; 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 audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform our 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 misstatements 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 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 My Brother's Table, Inc. as of March 31, 2013, and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

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Report on Summarized Comparative Information

We have previously audited My Brother's Table, Inc.'s 2012 financial statements, and our report dated August 14, 2012, expressed an unqualified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Garard Johnson & Company P.C.

Topsfield, Massachusetts
September 20, 2013

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MY BROTHER'S TABLE, INC.
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2013 AND 2012

ASSETS

	2013	2012
Cash and cash equivalents, substantially all in interest bearing accounts	\$ 100,775	\$ 133,990
Investments	174,800	181,939
Contributions receivable	950,000	-
Inventories, at the lower of cost or fair market value	44,314	29,335
Deposit and prepaid expenses	22,037	15,240
Cash restricted for long-term investment	20,000	20,000
Investments restricted for long-term investment	65,742	62,457
Fixed assets, net	77,047	82,302
TOTAL ASSETS	<u>\$ 1,454,715</u>	<u>\$ 525,263</u>

LIABILITIES AND NET ASSETS

Liabilities -		
Accounts payable and accrued expenses	\$ 47,915	\$ 45,866
Net assets:		
Unrestricted	1,234,096	320,359
Temporarily restricted	98,779	85,113
Permanently restricted	73,925	73,925
Total net assets	<u>1,406,800</u>	<u>479,397</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,454,715</u>	<u>\$ 525,263</u>

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

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MY BROTHER'S TABLE, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2013
(with comparative totals for 2012)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2013 Total	2012 Total
SUPPORT AND REVENUES:					
In-kind donations	\$ -	\$ 325,821	\$ -	\$ 325,821	\$ 283,899
Contributions, promises to give and memorials	1,369,653	485	-	1,370,138	411,277
Special events, net of costs of direct benefits	72,852	-	-	72,852	62,886
Grants	18,500	27,000	-	45,500	42,440
Net gain on investments	14,574	4,862	-	19,436	1,696
Investment income	9,144	-	-	9,144	6,230
	1,484,723	358,168	-	1,842,891	808,428
Net assets released from program restrictions	344,502	(344,502)	-	-	-
Total support and revenues	1,829,225	13,666	-	1,842,891	808,428
EXPENSES:					
PROGRAM SERVICES:					
Food	626,575	-	-	626,575	595,030
Volunteer	52,209	-	-	52,209	57,553
Advocacy	55,125	-	-	55,125	51,041
Total program services	733,909	-	-	733,909	703,624
SUPPORT SERVICES:					
Management and general	99,838	-	-	99,838	92,123
Fundraising	81,741	-	-	81,741	82,249
Total support services	181,579	-	-	181,579	174,372
Total expenses	915,488	-	-	915,488	877,996
CHANGE IN NET ASSETS	913,737	13,666	-	927,403	(69,568)
NET ASSETS, BEGINNING OF YEAR	320,359	85,113	73,925	479,397	548,965
NET ASSETS, END OF YEAR	\$ 1,234,096	\$ 98,779	\$ 73,925	\$ 1,406,800	\$ 479,397

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

MY BROTHER'S TABLE, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2013
(with comparative totals for 2012)

	Food	Volunteer	Advocacy	Management and General	Fundraising	2013 Totals	2012 Totals
Direct food costs:							
Food	\$ 327,165	\$ -	\$ -	\$ -	\$ -	\$ 327,165	305,361
Supplies	30,923	-	-	-	-	30,923	26,588
Salaries	37,244	-	-	-	-	37,244	40,064
Total direct food costs	395,332	-	-	-	-	395,332	372,013
Payroll costs:							
Salaries and wages	69,844	34,549	32,949	42,793	36,012	216,147	220,764
Payroll taxes and benefits	27,819	8,976	8,560	11,117	9,356	65,828	67,903
Total payroll costs	97,663	43,525	41,509	53,910	45,368	281,975	288,667
Other costs:							
Occupancy	97,406	4,537	4,537	5,671	4,537	116,688	112,779
Printing and postage	-	-	-	4,030	10,985	15,015	15,569
Depreciation	6,773	315	315	490	315	8,208	6,343
Repairs and maintenance	7,911	-	-	511	-	8,422	5,504
Other program costs	13,180	-	4,349	4,603	1,200	23,332	19,688
Insurance	7,109	861	861	1,077	861	10,769	13,503
Professional fees	-	-	-	10,350	3,960	14,310	8,009
Office expense	100	2,616	3,215	18,756	14,145	38,832	33,216
Telephone	1,101	355	339	440	370	2,605	2,705
Total other costs	133,580	8,684	13,616	45,928	36,373	238,181	217,316
Total expenses	\$ 626,575	\$ 52,209	\$ 55,125	\$ 99,838	\$ 81,741	\$ 915,488	\$ 877,996

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

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MY BROTHER'S TABLE, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2013 AND 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 927,403	\$ (69,568)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	8,208	6,343
Unrealized gain in market value of investments	(13,615)	(2,269)
Realized (gain) loss on sale of investments	(5,821)	573
Cash provided by (used in) changes in:		
Contributions receivable	(950,000)	-
Inventories	(14,979)	(3,131)
Deposit and prepaid expenses	(6,797)	(1,245)
Accounts payable and accrued expenses	2,049	6,976
NET CASH USED IN OPERATING ACTIVITIES	<u>(53,552)</u>	<u>(62,321)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property and equipment	(2,953)	(38,025)
Proceeds of investment sales	66,379	102,828
Purchases of investments	(43,089)	(88,485)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>20,337</u>	<u>(23,682)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(33,215)	(86,003)
CASH AND CASH EQUIVALENTS, BEGINNING	<u>133,990</u>	<u>219,993</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 100,775</u>	<u>\$ 133,990</u>

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

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MY BROTHER'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012

1. **OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES:**

OPERATIONS:

My Brother's Table, Inc., "The Table," (a Massachusetts corporation, not for profit) is a social service agency supporting the poor and hungry of Lynn, Massachusetts and surrounding communities through its food, volunteer, and advocacy programs. The Table's programs include:

Food Programs - The Table serves over 80,000 free meals each year. Dinner is served 365 days a year and lunch is served Monday through Friday. These meals are served by volunteer groups and individuals. In addition to free meals served on-site, the Table provides meals to those held in the city jail each weekend and holidays; to those who are homebound due to chronic illness or disability; and served to seniors through the Greater Lynn Senior Services supper club.

Volunteer Programs - The Table coordinates the scheduling of hundreds of volunteer groups and individuals in administering its food programs. In addition, the Table provides supervised placements for people of all ages performing court-ordered community service. Still others are placed at the Table for job training experience at no cost to the Table.

Advocacy Programs - The Table makes hundreds of referrals each year to other agencies and programs so that guests might receive necessary services. The Table participates in several local coalitions that support the rights, as well as, the health and nutritional needs of Lynn residents including Lynn PACT, Lynn Nonprofit Business Association and the Lynn Hunger Network. The Table also operates a free episodic health care clinic that provides immunizations, wellness testing and instruction, over the counter medications, wound care, foot care and other short-term medical treatment.

SIGNIFICANT ACCOUNTING POLICIES:

Comparative Financial Statements

The financial statements include certain prior-year summarized comparative information in total by not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Table's financial statements ended March 31 of the prior year, from which the summarized information was derived.

Management's Review

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through September 20, 2013, the date the financial statements were available to be issued.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

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MY BROTHER'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012
(Continued)

SIGNIFICANT ACCOUNTING POLICIES *(continued)*:

Cash Equivalents

For the purpose of presentation in the statements of cash flows, the Table considers liquid temporary investments with original maturities of 90 days or less to be cash equivalents. Cash equivalents consist of money market accounts. The Table maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. The Table has not experienced any losses in such accounts. The Table believes it is not exposed to any significant credit risk on cash and cash equivalents.

Financial Statement Presentation

The Table reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. These classifications are related to the existence or absence of donor imposed restrictions as follows:

- Unrestricted net assets represent the portion of net assets of the Table that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.
- Temporarily restricted net assets represent contributions and other inflows of assets whose use by the Table is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Table pursuant to those stipulations.
- Temporarily restricted net assets also include, under Massachusetts law, cumulative appreciation and reinvested gains on permanently restricted endowment funds that are subject to prudent appropriation by the Board of Directors in accordance with provisions of Massachusetts law.
- Permanently restricted net assets represent contributions and other inflows of assets whose use by the Table is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Table.

Investments

The Table has adopted FASB ASC 820-10, *Fair Value Measurements*, ("ASC 820-10"). ASC 820-10 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles ("GAAP"), and expands disclosures about fair value measurements. Under ASC 820-10, fair value refers to the price that would be received to sell an asset or to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity transacts. It clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability. In support of this principle, ASC 820-10 establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. Under ASC 820-10, fair value measurements are separately disclosed by level within the fair value hierarchy.

Investments measured at fair value are classified and disclosed in one of the following categories:

Level I: Quoted prices are available in active markets for identical investments at the reporting date.

Level II: Pricing inputs are other than quoted prices in active markets of comparable investments, which are either directly or indirectly observable at the reporting date, and fair value is determined through the use of models or other valuation methodologies.

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MY BROTHER'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012
(Continued)

SIGNIFICANT ACCOUNTING POLICIES *(continued)*:

Investments (continued)

Level III: Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment.

All investments include listed equity or debt instruments which are publicly traded, and whose fair value is therefore classified and disclosed as Level I. Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment income, primarily interest and dividends, is recorded when earned and considered available for unrestricted use unless otherwise restricted by the donor. Realized and unrealized gains and losses are determined on the basis of specific identification and recognized on a trade-date basis.

Contribution and Grant Revenue

Unrestricted contributions are recorded as public support and unrestricted net assets when received. Grants and contributions received with restrictions placed on their designated program use are recorded in the accompanying financial statements as temporarily restricted net assets. Grants and contributions received with restrictions placed on their use for the purchase of long-lived assets are recorded in the accompanying financial statements as temporarily restricted net assets. Grant revenue is recorded over the period covered by the grant as expenses related directly to the grant are incurred, or in the case of grants for the purchase of long-lived assets, revenue is recorded over the related useful life of the asset purchased.

It is the Table's policy to apply a time restriction, based on a long-lived asset's useful life, on donations to be used to acquire long-lived assets. Accordingly, those donations are recorded as increases in temporarily restricted net assets. The Table reclassifies temporarily restricted net assets to unrestricted net assets each year for the amount of depreciation expense relating to the long-lived asset.

Unconditional Promises to Give

Unconditional promises to give (contributions) are included in the financial statements as pledges receivable and revenue of the appropriate net asset category. All pledges are expected to be collected in less than one year.

In-kind Food Donations and Food Inventories

The Table provides a daily dinner program and an additional weekday lunch program on site, a dinner shuttle program for those individuals who are unable to come to the Table's dining room because of chronic illness or disability, and issues surplus food to other community non-profit agencies. Donated food and related supplies are solicited and goods are received, stored and prepared for program use at The Table. Upon receipt of certain foods, The Table receives an invoice indicating the contents and fair market value of the donation. All other foods and related supplies received, including catered meals provided and served by volunteer organizations, are valued at their fair market value obtained by reference to supplier price lists by product weight.

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MY BROTHER'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012
(Continued)

SIGNIFICANT ACCOUNTING POLICIES (continued):

In-kind Food Donations and Food Inventories (continued)

At March 31, 2013 and 2012, the fair value of food and related supply inventories in storage was \$44,314 and \$29,335, respectively.

The meals are reflected in the accompanying financial statements, based upon the fair value assigned, as temporarily restricted in-kind donations within the food program.

Donated Services

The success of The Table's food programs is dependent upon the non-specialized services of volunteers from the community, area schools and churches in the preparation and delivery of meals. The value of these services has not been recorded in the accompanying financial statements because the criteria for recognition of such volunteer effort under ASC 958 have not been satisfied.

During the fiscal years ended March 31, 2013 and 2012, the Table received donated professional services (legal, medical, financial and other) in the amount of \$17,354 and \$17,148, respectively. These contributions are reflected in in-kind contributions and other program costs in the related Statement of Activities and Statement of Functional Expenses, respectively.

Depreciation

Property and equipment acquisitions are recorded at cost or, if contributed, at fair market value. The Table provides for depreciation of its fixed assets using accelerated and straight-line methods over estimated useful lives of five to thirty one and one half years. Purchases of capital goods exceeding \$1,000 are capitalized.

Maintenance and repairs are charged to expense in the period incurred. The cost and accumulated depreciation of assets retired or sold are removed from the statement of financial position and any gain or loss is credited or charged to income.

Impairment of Long-Lived Assets

The Table has given consideration to impairment of its long-lived assets in its presentation of these financial statements. The Table has not recognized any reduction in the carrying value of its property.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Tax Status

The Table was incorporated under the provisions of Chapter 180 of the General Laws of the Commonwealth of Massachusetts. The Table is a nonprofit organization exempt from federal income taxes (not a private foundation) under section 501(c)(3) of the Internal Revenue Code. Donors may deduct contributions made to The Table within the Internal Revenue Code regulations.

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MY BROTHER'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012
(Continued)

SIGNIFICANT ACCOUNTING POLICIES (continued):

Uncertainty of Income Taxes

The primary tax positions made by Table are the existence of unrelated business income and the Table's status as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Table currently evaluates all tax positions, and makes a determination regarding the likelihood of those positions being upheld under review. For the years presented, the Table has not recognized any tax benefits or loss contingencies for uncertain tax positions based on this evaluation.

2. CONTRIBUTIONS RECEIVABLE

During 2010, a donor made a bequest naming the Table a beneficiary of her estate. The donor passed in 2012 and under the terms of the bequest, the Table is to receive approximately \$950,000 pending the settlement of estate assets. Management expects the bequest will be received within the next fiscal year.

3. FIXED ASSETS

Fixed assets are comprised of the following at March 31, 2013 and 2012:

	2013	2012
Equipment	\$ 132,685	\$ 132,685
Leasehold improvements	117,534	117,534
Office furniture and equipment	62,684	59,731
Delivery vehicles	8,500	8,500
	<u>321,403</u>	<u>318,450</u>
Less accumulated depreciation	244,356	236,148
Fixed assets, net	<u>\$ 77,047</u>	<u>\$ 82,302</u>

4. INVESTMENTS

Fair value measurement was determined using Level I inputs and as of March 31, 2013 and 2012 and investments consist of the following:

	2013		2012	
	Cost	Market	Cost	Market
Common stocks	\$ 1,023	\$ 1,246	\$ 656	\$ 744
Cash equivalents	4,457	4,457	6,345	6,345
Equity mutual funds	172,796	198,701	131,671	141,395
Fixed income mutual funds	26,633	36,138	83,706	95,912
	<u>\$204,909</u>	<u>\$240,542</u>	<u>\$222,378</u>	<u>\$244,396</u>

The portfolio is diversified by type of investment and industry concentration so that no individual investment or group of investments represents a significant concentration of market risk.

(Continued)

MY BROTHER'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012
(Continued)

4. **INVESTMENTS (continued):**

Net gain on investments for the years ended March 31, 2013 and 2012 is comprised of the following:

	2013	2012
Unrealized gain in market value of investments	\$13,615	\$2,269
Realized gain (loss) on sale of investments	5,821	(573)
Net gain on investments	\$19,436	\$1,696

At March 31, 2013, investments with a fair value of \$65,742 (see below) and cash of \$20,000 have been restricted by the donors for long-term investment (endowment). At March 31, 2013 and 2012, there were no deficiencies for donor-restricted endowment funds for which the fair value of the investments was less than the level required by donor stipulation or by law.

5. **BENEFICIAL INTEREST IN PEPETUAL TRUST**

The Table is a named beneficiary of the Joseph L. Amodeo Trust held by a third party trustee for the benefit of the Table and other not-for-profit organizations. The trustee calculates distributions by applying a "yield equivalency rate" (currently up to 4.5%) to the 12 quarter average of the trust's fair market value. Distributions are made quarterly to the beneficiaries and are reported by the Table as unrestricted income. For the years ended March 31, 2013 and 2012, the Table recognized trust income distributions of \$20,033 and \$16,337, respectively.

6. **ASSETS RESTRICTED FOR LONG-TERM INVESTMENT**

The Board has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring realized and unrealized gains of permanently restricted net assets to be retained in a temporarily restricted net asset classification until appropriated by the Board and expended. UPMIFA allows the Board to appropriate any amount it deems prudent, in the absence of a donor's expressed intent, after considering the duration and preservation of the net assets, the purpose of the net assets, general economic conditions, the possible effect of inflation or deflation, the expected total return from income and the appreciation of investments, other resources of the Table, and the Table's investment policy.

The principal value of donor-imposed restricted assets is \$73,925. Changes in permanently restricted net assets were as follows:

	2013		2012	
	Cash	Investments	Cash	Investments
Beginning of year	\$20,000	\$62,457	\$20,000	\$64,740
Investment income	-	1,923	-	1,373
Realized gain (loss)	-	1,537	-	(871)
Unrealized gain	-	3,325	-	715
Appropriation(s) for expenditure	-	(3,500)	-	(3,500)
End of year	\$20,000	\$65,742	\$20,000	\$62,457

(Continued)

MY BROTHER'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012
(Continued)

6. **ASSETS RESTRICTED FOR LONG-TERM INVESTMENT** *(continued)*

Restricted assets are comprised of donor-restricted funds for long-term purposes. The Table invests primary in equity and fixed income mutual funds and money market funds.

Investment income and gains on assets restricted for long-term investment have been classified as temporarily restricted until appropriated for expenditure by the Table's Board of Directors (see Note 7). The Table has been accumulating the investment returns of its permanently restricted investment portfolio and spending the investment returns of its cash portfolio.

To satisfy its rate of return objectives, the Table relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Table maintains a diversified asset allocation across both equity-based and fixed income investments to achieve its long-term objectives within prudent risk constraints.

7. **LEASE COMMITMENT**

The Table leases its premises from the City of Lynn ("the City"), under the terms of an operating lease which expires April 30, 2014. The lease automatically renews for an additional three year term unless the Table is in default. Monthly base rent and common expense rent under the lease agreement is \$3,046 per month and is adjusted annually for adjustments in CPI. The Table is responsible for its own utilities, waste removal, and insurance.

Future minimum lease obligations, without consideration for annual inflation increases, are \$36,552 per year.

8. **RESTRICTIONS ON NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	2013	2012
Inventory to be used in food program	\$44,314	\$29,335
Grants restricted for the purchase of long-lived assets	39,312	43,909
Unappropriated gains on permanently restricted net assets (see Note 5)	11,817	8,533
Grants restricted for the purchase of infant formula	3,336	3,336
	<u>\$98,779</u>	<u>\$85,113</u>

Permanently restricted net assets consist of endowment fund assets to be held in perpetuity with income available to support the Table's general program activities (see Note 5).

9. **RETIREMENT PLAN**

Effective January 1, 2001, The Table adopted a SIMPLE (Savings Incentive Match Plan for Employees) retirement plan under section 408(p) of the Internal Revenue Code for all eligible employees. For each calendar year, the Table contributes a matching contribution to each eligible employee's account equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the calendar year. All contributions to the plan are fully vested and non-forfeitable. For the years ended March 31, 2013 and 2012, the Table made matching contributions of \$5,158 and \$5,399, respectively. Included in accrued expenses at March 31, 2013 and 2012 are \$396 and \$886, respectively, in retirement matching contributions.

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MY BROTHER'S TABLE, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013 AND 2012

10. SIGNIFICANT CONCENTRATIONS OF RISK

The Table's portfolio of common stocks and mutual funds have a fair market value at March 31, 2013 of \$236,085; representing 16% of its total asset base. The fair market value of these investments is not federal-insured and is subject to market fluctuation.

11. INDEMNIFICATION

The Table's Articles of Incorporation provide that the Table indemnify its officers and directors for certain events or occurrences that happen by reason of the fact that the officer or director is, was, or has agreed to serve as an officer or director of the Table. The maximum potential amount of future payments the Table could be required to make under these indemnification agreements is unlimited. The Table may also enter into other indemnification agreements in the normal course of business. As of March 31, 2013, the Table had not experienced any losses related to these indemnification obligations, and no claims with respect thereto were outstanding.