

**FRIENDS OF MOUNT AUBURN CEMETERY**

**FINANCIAL STATEMENTS**

**For the Years Ended March 31, 2016 and 2015**

**FRIENDS OF MOUNT AUBURN CEMETERY**

**TABLE OF CONTENTS**

INDEPENDENT AUDITOR’S REPORT.....1

FINANCIAL STATEMENTS

    Statements of Financial Position.....2

    Statements of Activities and Changes in Net Assets.....3-4

    Statements of Cash Flows.....5

    Notes to Financial Statements.....6-15

**INDEPENDENT AUDITOR'S REPORT**

To the Trustees of the  
Friends of Mount Auburn Cemetery  
Cambridge, Massachusetts

We have audited the accompanying financial statements of the Friends of Mount Auburn Cemetery (a nonprofit organization), which comprise the *statements of financial position* as of March 31, 2016 and 2015, 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 audits. We conducted our audits 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 Friends of Mount Auburn Cemetery as of March 31, 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.

*Morgan + Morgan, P.C.*

Hingham, Massachusetts  
August 26, 2016

**FRIENDS OF MOUNT AUBURN CEMETERY**

**STATEMENTS OF FINANCIAL POSITION**

**As of March 31,**

	<u>2016</u>	<u>2015</u>
ASSETS		
CURRENT ASSETS :		
Cash and cash equivalents	\$ 1 734 819	\$ 1 530 259
Other receivable	16 716	22 016
Pledges receivable, net	<u>22 522</u>	<u>20 791</u>
TOTAL CURRENT ASSETS	1 774 057	1 573 066
LONG-TERM INVESTMENTS, AT FAIR VALUE	17 397	20 297
LONG-TERM PLEDGES RECEIVABLE, NET	<u>10 040</u>	<u>22 197</u>
TOTAL ASSETS	<u>\$ 1 801 494</u>	<u>\$ 1 615 560</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES :		
Accounts payable	\$ 648	\$ 6 910
Due to Mount Auburn Cemetery	36 723	41 336
Pledges payable - Mount Auburn Cemetery	19 800	20 747
Liability for charitable gift annuity agreements	<u>263</u>	<u>940</u>
TOTAL CURRENT LIABILITIES	57 434	69 933
LONG-TERM LIABILITIES :		
Liability for charitable gift annuity agreements	5 203	5 466
Pledges payable - Mount Auburn Cemetery	<u>3 089</u>	<u>22 197</u>
TOTAL LONG-TERM LIABILITES	<u>8 292</u>	<u>27 663</u>
TOTAL LIABILITIES	65 726	97 596
NET ASSETS :		
Unrestricted		
For current operations	234 803	243,096
Funds functioning as endowment	<u>202 278</u>	<u>201 889</u>
Total unrestricted	437 081	444 985
Temporarily restricted		
Named Funds		
Horticulture	174 100	156 379
Preservation	<u>268 950</u>	<u>266 822</u>
Total Named Funds	443 050	423 201
Specific Projects	817 764	610 080
Horticulture Center	<u>12 873</u>	<u>14 698</u>
Total temporarily restricted	1 273 687	1 047 979
Permanently restricted	<u>25 000</u>	<u>25 000</u>
TOTAL NET ASSETS	<u>1 735 768</u>	<u>1 517 964</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1 801 494</u>	<u>\$ 1 615 560</u>

See accompanying notes.

**FRIENDS OF MOUNT AUBURN CEMETERY**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

**For the Year Ended March 31, 2016**

	UNRESTRICTED			Temporarily Restricted	Permanently Restricted	TOTAL
	Operations	Endowment	TOTAL			
<b>SUPPORT :</b>						
Membership contributions	\$ 54 026	\$ --	\$ 54 026	\$ --	\$ --	\$ 54 026
Annual fund gifts	--	--	--	318 756	--	318 756
Other contributions and grants	9 177	--	9 177	1 545 736	--	1 554 913
Contributions from Mount Auburn Cemetery for salaries and benefits	472 216	--	472 216	--	--	472 216
<b>TOTAL SUPPORT</b>	<b>535 419</b>	<b>--</b>	<b>535 419</b>	<b>1 864 492</b>	<b>--</b>	<b>2 399 911</b>
<b>REVENUE :</b>						
Public program receipts	14 416	--	14 416	--	--	14 416
Interpretive materials - sales and rentals	14 890	--	14 890	--	--	14 890
Net realized and unrealized gain (loss) on investments	( 2 939)	--	( 2 939)	--	--	( 2 939)
Interest	2 104	389	2 493	3 797	--	6 290
<b>TOTAL REVENUE</b>	<b>28 471</b>	<b>389</b>	<b>28 860</b>	<b>3 797</b>	<b>--</b>	<b>32 657</b>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<b>1 642 581</b>	<b>--</b>	<b>1 642 581</b>	<b>(1 642 581)</b>	<b>--</b>	<b>--</b>
<b>TOTAL SUPPORT AND REVENUE</b>	<b>2 206 471</b>	<b>389</b>	<b>2 206 860</b>	<b>225 708</b>	<b>--</b>	<b>2 432 568</b>
<b>EXPENSES :</b>						
Program services :						
Public programs	15 270	--	15 270	--	--	15 270
Interpretive projects	141 478	--	141 478	--	--	141 478
Salaries and benefits	137 380	--	137 380	--	--	137 380
Grants to Mount Auburn Cemetery	1 538 328	--	1 538 328	--	--	1 538 328
Supporting services :						
Development - salaries and benefits	307 904	--	307 904	--	--	307 904
Development - other expenses	33 218	--	33 218	--	--	33 218
Management and general - salaries and benefits	26 932	--	26 932	--	--	26 932
Management and general - other expenses	14 254	--	14 254	--	--	14 254
<b>TOTAL EXPENSES</b>	<b>2 214 764</b>	<b>--</b>	<b>2 214 764</b>	<b>--</b>	<b>--</b>	<b>2 214 764</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>( 8 293)</b>	<b>389</b>	<b>( 7 904)</b>	<b>225 708</b>	<b>--</b>	<b>217 804</b>
<b>NET ASSETS - BEGINNING</b>	<b>243 096</b>	<b>201 889</b>	<b>444 985</b>	<b>1 047 979</b>	<b>25 000</b>	<b>1 517 964</b>
<b>NET ASSETS - ENDING</b>	<b>\$ 234 803</b>	<b>\$ 202 278</b>	<b>\$ 437 081</b>	<b>\$ 1 273 687</b>	<b>\$ 25 000</b>	<b>\$ 1 735 768</b>

See accompanying notes.

**FRIENDS OF MOUNT AUBURN CEMETERY**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

**For the Year Ended March 31, 2015**

	<u>UNRESTRICTED</u>			<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>TOTAL</u>
	<u>Operations</u>	<u>Endowment</u>	<u>TOTAL</u>			
<b>SUPPORT :</b>						
Membership contributions	\$ 51 138	\$ - -	\$ 51 138	\$ - -	\$ - -	\$ 51 138
Annual fund gifts	- -	- -	- -	349 965	- -	349 965
Other contributions and grants	12 526	- -	12 526	512 536	- -	525 062
Contributions from Mount Auburn Cemetery for salaries and benefits	446 103	- -	446 103	- -	- -	446 103
<b>TOTAL SUPPORT</b>	<b>509 767</b>	<b>- -</b>	<b>509 767</b>	<b>862 501</b>	<b>- -</b>	<b>1 372 268</b>
<b>REVENUE :</b>						
Public program receipts	17 989	- -	17 989	- -	- -	17 989
Interpretive materials - sales and rentals	11 374	- -	11 374	- -	- -	11 374
Net realized and unrealized gain (loss) on investments	( 856)	- -	( 856)	- -	- -	( 856)
Interest	2 895	201	3 096	3 449	- -	6 545
<b>TOTAL REVENUE</b>	<b>31 402</b>	<b>201</b>	<b>31 603</b>	<b>3 449</b>	<b>- -</b>	<b>35 052</b>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<b>741 804</b>	<b>- -</b>	<b>741 804</b>	<b>( 741 804)</b>	<b>- -</b>	<b>- -</b>
<b>TOTAL SUPPORT AND REVENUE</b>	<b>1 282 973</b>	<b>201</b>	<b>1 283 174</b>	<b>124 146</b>	<b>- -</b>	<b>1 407 320</b>
<b>EXPENSES :</b>						
<b>Program services :</b>						
Public programs	19 928	- -	19 928	- -	- -	19 928
Interpretive projects	161 561	- -	161 561	- -	- -	161 561
Salaries and benefits	129 266	- -	129 266	- -	- -	129 266
Grants to Mount Auburn Cemetery	608 553	- -	608 553	- -	- -	608 553
<b>Supporting services :</b>						
Development - salaries and benefits	291 576	- -	291 576	- -	- -	291 576
Development - other expenses	29 602	- -	29 602	- -	- -	29 602
Management and general - salaries and benefits	25 261	- -	25 261	- -	- -	25 261
Management and general - other expenses	13 179	- -	13 179	- -	- -	13 179
<b>TOTAL EXPENSES</b>	<b>1 278 926</b>	<b>- -</b>	<b>1 278 926</b>	<b>- -</b>	<b>- -</b>	<b>1 278 926</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>4 047</b>	<b>201</b>	<b>4 248</b>	<b>124 146</b>	<b>- -</b>	<b>128 394</b>
<b>NET ASSETS - BEGINNING</b>	<b>239 049</b>	<b>201 688</b>	<b>440 737</b>	<b>923 833</b>	<b>25 000</b>	<b>1 389 570</b>
<b>NET ASSETS - ENDING</b>	<b>\$ 243 096</b>	<b>\$ 201 889</b>	<b>\$ 444 985</b>	<b>\$ 1 047 979</b>	<b>\$ 25 000</b>	<b>\$ 1 517 964</b>

See accompanying notes.

**FRIENDS OF MOUNT AUBURN CEMETERY**

**STATEMENTS OF CASH FLOWS**

**For the Years Ended March 31,**

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 217 804	\$ 128 394
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities :		
Net realized and unrealized (gain) loss on investments	2 939	856
Changes in operating assets and liabilities :		
(Increase) decrease in assets:		
Due from Mount Auburn Cemetery	- -	40 000
Other receivable	5 300	( 13 350)
Pledges receivable, net	10 426	19 496
Increase (decrease) in liabilities :		
Accounts payable	( 6 262)	5 956
Due to Mount Auburn Cemetery	( 4 613)	41 336
Liability for charitable gift annuity agreements	( 940)	( 872)
Pledges payable, net	( 20 055)	( 19 320)
NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES	204 599	202 496
CASH FLOWS FROM INVESTING ACTIVITIES :		
Purchase of investments	( 33 184)	( 29 987)
Proceeds from sale of investments	33 145	30 032
NET CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES	( 39)	45
NET INCREASE (DECREASE) IN CASH	204 560	202 541
CASH AND CASH EQUIVALENTS, BEGINNING	1 530 259	1 327 718
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 1 734 819</u>	<u>\$ 1 530 259</u>

See accompanying notes.

**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organizational purpose**

The Friends of Mount Auburn Cemetery (the Friends) was organized in 1990 under the laws of the Commonwealth of Massachusetts as a non-profit charitable trust promoting the appreciation and preservation of the cultural, historic and natural resources of Mount Auburn Cemetery.

**Basis of accounting**

The Friends prepares its financial statements on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The statements have been prepared to focus on the Friends as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

- **Unrestricted: For Current Operations** - This is the Operating Fund used for the general purposes of the Friends.
- **Unrestricted: Funds Functioning As Endowment** - This is a quasi-endowment fund, the income of which is utilized for the general purposes of the Friends. While the Board of Trustees has established quasi-endowment funds for the same purpose as endowment funds, any portion of quasi-endowment funds may be expended.
- **Temporarily Restricted** – This fund represents donor-restricted contributions and grants that are yet to be expended for their designated purpose.
- **Permanently Restricted** - This is an endowment fund, the income of which is restricted for the maintenance and preservation of the grounds of Mount Auburn Cemetery, including structures. The principal of this fund shall not be used for any of the general purposes of the Friends.

**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 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.



**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Cash and cash equivalents**

For purposes of the Statement of Cash Flows, the Friends considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a qualifying expenditure occurs or a time restriction expires, temporarily restricted assets are recognized in unrestricted net assets as "net assets released from restrictions" in the Statement of Activities.

**Donated Facilities**

The Friends receives free use of office space and equipment at Mount Auburn Cemetery. The market value of these facilities has not been quantified, so there is no contributions-in-kind or donated facilities expense currently recorded.

**Expense allocation**

Expenses by function have been allocated between program and supporting services classifications on the basis of estimates made by the Friends' management.

**Fair Value of Investments**

The Friends carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. The Friends believes that the carrying value of its investments is a reasonable estimate of fair value as of March 31, 2016.

**Endowment**

The Friends' endowment includes both donor-restricted funds and funds designated by the Board of Trustees to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The Board of Trustees of the Friends has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Friends classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Friends in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Friends considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Friends, and (7) the Friends' investment policies.

**Income tax status**

The Friends is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Friends qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(1). The Friends is required to assess uncertain tax positions and has determined that there were no such positions that are material to the financial statements. Any changes in tax positions will be recorded when the ultimate outcome becomes known. The Friends tax returns are subject to examination by the Internal Revenue service for the years ended March 31, 2015, 2014, and 2013.

**Pledges Receivable**

Pledges receivable represents the amount due to Friends of Mount Auburn from donors who pledge future cash contributions to the Friends.

**Reclassification**

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE B - RELATED PARTY TRANSACTIONS**

The Friends and the Proprietors of the Cemetery of Mount Auburn (Cemetery) have some common Trustees.

The Cemetery is a corporation organized under the laws of the Commonwealth of Massachusetts in 1835 and is a tax-exempt organization under Section 501(c)(13) of the Internal Revenue Code. For the years ended March 31, 2016 and 2015, the Cemetery contributed \$472,216 and \$446,103, respectively, to the Friends' payroll costs.

During the periods ended March 31, 2016 and 2015, the Friends made grants to the Cemetery of \$1,538,328 and \$608,553, respectively to preserve, improve and interpret its horticultural and historic resources. In addition, the Friends, using its own funds, provided the Cemetery with a wide variety of publications and a large number of public interpretive programs.

As of March 31, 2016 and 2015, amounts due to the Cemetery were \$36,723 and \$41,336, respectively.

Pledges Payable of \$22,889 and \$42,944 for the years ended March 31, 2016 and 2015 are payable to the Cemetery. These funds were raised by the Friends for the building of the Greenhouse.

**NOTE C -- INVESTMENTS**

The Financial Accounting Standards Board (FASB), issued FASB ASC 820 *Fair Value Measurements and Disclosure*, which establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in an active market for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

*Level 1*

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities.

*Level 2*

Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

*Level 3*

Inputs to the valuation methodology are unobservable and significant to the fair value measurement. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

NOTE C – INVESTMENTS (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>2016 Fair Value</u>	<u>2015 Fair Value</u>
Cash & Equivalents	\$ 230	\$ - -	\$ - -	\$ 230	\$ 396
Bonds & mutual fund equivalents	4 079	- -	- -	4 079	4 619
Stocks & mutual fund equivalents	13 088	- -	- -	13 088	15 282
<b>TOTALS</b>	<u>\$ 17 397</u>	<u>\$ - -</u>	<u>\$ - -</u>	<u>\$ 17 397</u>	<u>\$ 20 297</u>

The following summarizes the investment return as follows on March 31:

	<u>2016</u>	<u>2015</u>
Interest & dividends	\$ 838	\$ 623
Net realized and unrealized gains (losses)	( 2 939)	( 856)
Less investment fees	<u>( 4 205)</u>	<u>( 3 713)</u>
<b>Total return on investments</b>	<u>\$ ( 6 306)</u>	<u>\$ ( 3 946)</u>

**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE D - PERMANENTLY RESTRICTED CASH**

Funds are being held in perpetuity and the income is to be used for upkeep of the Henrietta Young Mausoleum and its surrounding landscape. Residual income may be used for general maintenance and preservation of the grounds of Mount Auburn Cemetery.

**NOTE E – PLEDGES RECEIVABLE**

Pledges receivable as of March 31, included the following:

	<u>2016</u>	<u>2015</u>
Amounts due in:		
Less than one year	\$ 25 600	\$ 23 626
One to five years	13 000	28 000
	<u>38 600</u>	<u>51 626</u>
Less		
Unamortized discount	1 591	2 776
Allowance for uncollectible amounts	4 447	5 862
	<u>\$ 32 562</u>	<u>\$ 42 988</u>

Future pledges receivable have been discounted to present value using a discount rate of 5%. An allowance for uncollectible pledges of 12% is used.

**NOTE F – FUND-RAISING EXPENSE**

Total fund-raising expense for the years ended March 31, 2016 and 2015, was \$341,122 and \$321,178 respectively.

**NOTE G - CONCENTRATION OF CREDIT RISK**

Bank balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Friends' cash is held at Cambridge Savings Bank and Belmont Savings Bank, Massachusetts chartered savings banks, and Charles Schwab. Deposits at Cambridge Savings Bank are fully insured by the Depositors Insurance Fund (DIF) for funds exceeding \$250,000.

**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE H – PROGRAM SERVICES**

The Friends assists in the conservation of the natural beauty and historic integrity of Mount Auburn Cemetery and works to increase public knowledge and appreciation of the unique cultural, historic and natural resources of the Cemetery. A Section 501(c)(3) organization, the Friends plan and provide public programming and activities; interpretive displays, publications and materials; and visitors services. It engages in public outreach, education and fundraising.

**NOTE I – CHARITABLE GIFT ANNUITY AGREEMENTS**

The Friends also administers charitable gift annuities, which provide for the payment of distributions to the grantor or other designated beneficiaries over the annuities' term (usually the designated beneficiary's lifetime). At the end of the annuities' term, the remaining assets are available for the Friends' use in accordance with the terms of the agreement. The portion of the annuity attributable to the present value of the future benefits to be received by the Friends is recorded in the Statement of Activities and Changes in Net Assets as a contribution to funds functioning as endowment in the period the annuity is established. Contributions for the years ended March 31, 2016 and 2015 were \$-0- and \$-0- respectively. Total assets deposited for gift annuities for the years ended March 31, 2016 and 2015 were \$-0- and \$-0- respectively. These assets are held as general assets of the Friends and the related annuity liability is a general obligation of the Friends. The present value of the estimated future payments as of March 31, 2016 and 2015 was \$5,466 and \$6,406, respectively, and were calculated using applicable discount rates and mortality tables.

**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE J - TEMPORARILY RESTRICTED NET ASSETS**

The temporarily restricted net assets of \$1,273,687 and \$1,047,979 as of March 31, 2016 and 2015, respectively, represent donor-restricted contributions and grants that are yet to be expended for their designated purposes. These temporarily restricted contributions and grants are as follows:

Description	3/31/2015 Beginning Balance	Contributions Received / Other Additions	Restrictions Met	3/31/2016 Ending Balance
<b><u>Specific Projects</u></b>				
Annual Fund: General	\$ 192,923	\$ 248,210	\$ (272,743)	\$ 168,390
Asa Gray/Story Chapel Entrance Precinit	-	650,614	(529,039)	121,575
Asa Gray Garden Landscaping	3,256	100,000	-	103,256
Consecration Dell	-	144,000	(1,989)	142,011
Gatehouse Restoration	25,000	149,800	(174,800)	-
Historical Collections	34,900	27,169	(25,000)	37,069
Horticultural Collections	65,389	41,463	(41,663)	65,189
Mobile Application	136,150	78,750	(143,861)	71,039
Monument Preservation	9,616	9,000	(7,500)	11,116
Preservation: Annual Fund	8,009	7,788	-	15,797
Public Programming	1,000	20,015	(21,015)	-
Ruggiero: Annual	93,541	60,000	(153,541)	-
Significant Monument Documentation	-	59,595	(42,929)	16,666
Special Plantings	-	138,082	(129,793)	8,289
Wildlife Action Plan	38,596	-	(31,967)	6,629
Other:				
Various Projects	1,700	94,029	(44,991)	50,738
Total Projects	610,080	1,828,515	(1,620,831)	817,764
<b><u>Named Funds</u></b>				
Horticulture Fund	156,379	39,471	(21,750)	174,100
Preservation Fund	266,822	2,128	-	268,950
Total Named Funds	423,201	41,599	(21,750)	443,050
<b><u>Horticulture Center</u></b>				
Greenhouse (Phase 1A)	14,698	(1,825)	-	12,873
Total Temporarily Restricted	\$ 1,047,979	\$ 1,868,289	\$ (1,642,581)	\$ 1,273,687

**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE J - TEMPORARILY RESTRICTED NET ASSETS (Continued)**

Description	March 31, 2014 Beginning Balance	Contributions Received / Other Additions	Restrictions Met	March 31, 2015 Ending Balance
<b><u>Specific Projects</u></b>				
Annual Fund: General	\$ 197,326	\$ 226,621	\$ (231,024)	\$ 192,923
Asa Gray Chapel Entrance Point	-	30,000	(30,000)	-
Asa Gray Garden Landscaping	2,642	614	-	3,256
Gatehouse Restorartion	-	25,000	-	25,000
Historical Collections	24,449	29,451	(19,000)	34,900
Horticultural Collections	30,543	63,446	(28,600)	65,389
Mobile Application	-	156,720	(20,570)	136,150
Monument Preservation	-	44,500	(34,884)	9,616
Preservation: Annual Fund	7,151	15,983	(15,125)	8,009
Public Programming	56,418	20,150	(75,568)	1,000
Ruggiero: Annual	93,904	60,000	(60,363)	93,541
Significant Monument Documentation	-	31,804	(31,804)	-
Wildlife Action Plan	93,092	28,988	(83,484)	38,596
Various Projects	7,661	55,421	(61,382)	1,700
<b>Total Specific Projects</b>	<b>513,186</b>	<b>788,698</b>	<b>(691,804)</b>	<b>610,080</b>
<b><u>Named Funds</u></b>				
Horticulture Fund	131,224	25,155	-	156,379
Preservation Fund	264,725	2,097	-	266,822
<b>Total Named Funds</b>	<b>395,949</b>	<b>27,252</b>	<b>-</b>	<b>423,201</b>
<b><u>Horticulture Center</u></b>				
Greenhouse (Phase 1A)	14,698	50,000	(50,000)	14,698
<b>Total Temporarily Restricted</b>	<b>\$ 923,833</b>	<b>\$ 865,950</b>	<b>\$ (741,804)</b>	<b>\$ 1,047,979</b>



**FRIENDS OF MOUNT AUBURN CEMETERY**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2016 and 2015**

**NOTE K – SUBSEQUENT EVENTS**

In accordance with the guidance for subsequent events, the Friends evaluated all subsequent events for recognition or disclosure through August 26, 2016, the date the financial statements were available to be issued.