



**(FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016 AND 2015**

**TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)**

Contents  
December 31, 2016 and 2015

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Independent Auditor's Report

To the Board of Directors of  
Tech Goes Home Incorporated (Formerly, Openairboston.net, Incorporated):

**Report on the Financial Statements**

We have audited the accompanying financial statements of Tech Goes Home Incorporated, (formerly Openairboston.net, Incorporated) (a Massachusetts corporation, not for profit) (TGH) which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and changes in net assets, cash flows and functional expenses 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***

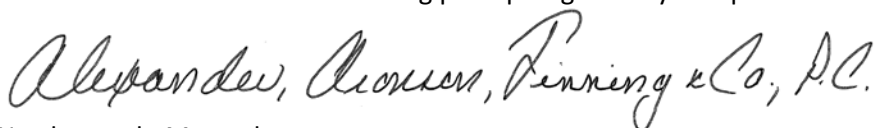
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about 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 Tech Goes Home Incorporated (formerly Openairboston.net, Incorporated) as of December 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.



Westborough, Massachusetts  
March 31, 2017

**TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)**Statements of Financial Position  
December 31, 2016 and 2015

<b>Assets</b>	<b>2016</b>	<b>2015</b>
Current Assets:		
Cash	\$ 1,071,225	\$ 653,661
Grant receivable	-	10,000
Prepaid computers, software and other	338,849	291,796
Total assets	<u>\$ 1,410,074</u>	<u>\$ 955,457</u>
<b>Liabilities and Net Assets</b>		
Current Liabilities:		
Accounts payable	\$ 68,573	\$ 52,822
Deferred revenue	1,034,843	617,072
Funds held for others	729	59,053
Total liabilities	<u>1,104,145</u>	<u>728,947</u>
Net Assets:		
Unrestricted	82,801	60,698
Temporarily restricted	223,128	165,812
Total net assets	<u>305,929</u>	<u>226,510</u>
Total liabilities and net assets	<u>\$ 1,410,074</u>	<u>\$ 955,457</u>

**TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)**Statements of Activities and Changes in Net Assets  
For the Years Ended December 31, 2016 and 2015

	<b>2016</b>	<b>2015</b>
<b>Changes in Unrestricted Net Assets:</b>		
<b>Operating Revenue:</b>		
Government grants	\$ 837,479	\$ 840,554
Grants and contributions	48,913	19,091
Interest and other income	19,550	10,603
In-kind donations	4,400	15,391
Net assets released from purpose restrictions	67,396	40,000
Total operating revenue	977,738	925,639
<b>Operating Expenses:</b>		
Program	840,409	833,650
General and administrative	84,983	64,057
Development	30,243	27,220
Total operating expenses	955,635	924,927
Changes in unrestricted net assets	22,103	712
<b>Changes in Temporarily Restricted Net Assets:</b>		
Grants	124,712	165,812
Net assets released from purpose restrictions	(67,396)	(40,000)
Changes in temporarily restricted net assets	57,316	125,812
Changes in net assets	79,419	126,524
<b>Net Assets:</b>		
Beginning of year	226,510	99,986
End of year	<u>\$ 305,929</u>	<u>\$ 226,510</u>

**TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)**

## Statements of Cash Flows

For the Years Ended December 31, 2016 and 2015

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	<u>2016</u>	<u>2015</u>
<b>Cash Flows from Operating Activities:</b>		
Changes in net assets	\$ 79,419	\$ 126,524
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Grants receivable	10,000	18,550
Prepaid expenses and other	(47,053)	(136,683)
Accounts payable	15,751	(1,930)
Deferred revenue	417,771	(56,587)
Funds held for others	<u>(58,324)</u>	<u>(42,894)</u>
Net cash provided by (used in) operating activities	417,564	(93,020)
<b>Cash:</b>		
Beginning of year	<u>653,661</u>	<u>746,681</u>
End of year	<u><u>\$ 1,071,225</u></u>	<u><u>\$ 653,661</u></u>

**TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)**

Statements of Functional Expenses

For the Years Ended December 31, 2016 and 2015

	2016				2015			
	Program	General and Administrative	Development	Total	Program	General and Administrative	Development	Total
<b>Operating Expenses:</b>								
Technology:								
Technology equipment and installation	\$ 386,535	\$ -	\$ -	\$ 386,535	\$ 407,302	\$ -	\$ -	\$ 407,302
Outside contracted services	19,435	-	-	19,435	49,902	-	-	49,902
Salaries and related	159,811	29,823	29,823	219,457	131,018	26,800	26,800	184,618
Training	192,417	-	-	192,417	197,777	-	-	197,777
Professional fees	18,830	40,926	-	59,756	17,983	28,764	-	46,747
Outreach and awareness	47,504	-	-	47,504	5,452	-	-	5,452
Other	12,287	9,571	-	21,858	5,397	3,384	-	8,781
In-kind rent and services	3,560	420	420	4,400	14,551	420	420	15,391
Insurance	-	4,243	-	4,243	-	4,689	-	4,689
Awards and grants	30	-	-	30	4,268	-	-	4,268
Total operating expenses	<u>\$ 840,409</u>	<u>\$ 84,983</u>	<u>\$ 30,243</u>	<u>\$ 955,635</u>	<u>\$ 833,650</u>	<u>\$ 64,057</u>	<u>\$ 27,220</u>	<u>\$ 924,927</u>

## TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)

Notes to Financial Statements  
December 31, 2016 and 2015

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### 1. OPERATIONS AND NONPROFIT STATUS

Tech Goes Home Incorporated (formerly, Openairboston.net, Incorporated) (TGH) is a nonprofit corporation formed in 2007. TGH was created to ensure that all residents of the City of Boston are provided with the tools, training, and access to support 21st century skill development. In addition, TGH seeks to provide opportunities for all residents to connect to schools, community programs and assets, government agencies, and each other. The Tech Goes Home program offers residents the ability to improve their quality of life as new members of the on-line community.

During December 2016 TGH amended its articles of organization to change its name to Tech Goes Home Incorporated. The change was made to align TGH's name with its core program and as part of recent strategic planning initiatives.

TGH is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). TGH is also exempt from state income taxes. Contributions made to TGH are deductible by donors within the requirements of the IRC.

### 2. SIGNIFICANT ACCOUNTING POLICIES

TGH prepares its financial statements in accordance with generally accepted accounting standards and principles established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

#### Revenue Recognition

Grants and contributions are recorded as revenue when received or unconditionally committed. Restricted grants and contributions are recorded as temporarily restricted revenues and net assets if they are received with donor-imposed stipulations that limit the use of the asset. Transfers are made to unrestricted net assets as costs are incurred or time restrictions or program restrictions have lapsed. Donor restricted grants and contributions received and satisfied in the same period are included in unrestricted net assets. Government grants are recorded as services are provided. All other income is recognized when earned.

Government grants received in advance of services being provided are recorded as deferred revenue.

#### Estimates

The preparation of financial statements in accordance with U.S. GAAP 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### Net Assets

TGH has grouped its net assets into the following categories:

**Unrestricted** - Unrestricted net assets are those net resources that bear no external restrictions and are generally available for use by TGH.



## TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)

Notes to Financial Statements  
December 31, 2016 and 2015

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### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Net Assets (Continued)

**Temporarily Restricted** - TGH receives contributions and grants which are designated by donors for specific purposes or a specified time period. These contributions are recorded as temporarily restricted net assets until they are expended for their designated purposes or the time period has lapsed. Temporarily restricted net assets are restricted for specific purposes as of December 31, 2016 and 2015.

#### Fair Value Measurements

TGH follows the accounting and disclosure standards pertaining to ASC Topic, *Fair Value Measurements*, for qualifying assets and liabilities. Fair value is defined as the price that TGH would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

TGH uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of TGH. Inputs refer broadly to the assumptions that market participants would use in pricing the financial instrument, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the financial instrument developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available. The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets at the measurement date.
- Level 2 - Inputs other than quoted prices that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 - Inputs that are unobservable and which require significant judgment or estimation.

An asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

#### Expense Allocation

Expenses related directly to a function are distributed to that function, while other expenses are allocated based upon management's estimate of the percentage attributable to each function.

#### Awards and Grants

Awards and grants expense is recorded at the time awarded by TGH.

## TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)

Notes to Financial Statements  
December 31, 2016 and 2015

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### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Subsequent Events

Subsequent events have been evaluated through March 31, 2017, which is the date the financial statements were available to be issued. There were no events that met the criteria for recognition or disclosure in the financial statements.

#### Income Taxes

TGH accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the financial statement regarding a tax position taken or expected to be taken in a tax return. TGH has determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the financial statements at December 31, 2016 and 2015. TGH's information returns are subject to examination by the Federal and state jurisdictions.

#### Grants Receivable and Allowance for Doubtful Accounts

Grants receivable are reviewed by management and an allowance for doubtful accounts is recorded based on management's analysis of specific accounts and their estimate of amounts that may become uncollectible, if any. There was no allowance for doubtful accounts at December 31, 2016 and 2015.

### 3. IN-KIND DONATIONS

The City of Boston provides TGH with office space at no charge. TGH also receives donated advertising in conjunction with its core program. These services are reflected in the accompanying financial statements based upon the estimated values assigned by management or the donor and are included in in-kind donations in the accompanying statements of activities and changes in net assets and in-kind rent and other services in the accompanying statements of functional expenses.

The value of these services is as follows for the years ended December 31:

	<u>2016</u>	<u>2015</u>
Office space	\$ 4,200	\$ 4,200
Advertising	<u>200</u>	<u>11,191</u>
	<u>\$ 4,400</u>	<u>\$ 15,931</u>

### 4. RELATED PARTY TRANSACTION

The spouse of a member of TGH's management is employed by a company that provided approximately \$15,000 of website design services to TGH during 2015.

## **TECH GOES HOME INCORPORATED (FORMERLY, OPENAIRBOSTON.NET, INCORPORATED)**

Notes to Financial Statements  
December 31, 2016 and 2015

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### **5. CONCENTRATIONS**

#### **Credit Risk**

TGH maintains its cash balances in a bank in Massachusetts. The Federal Deposit Insurance Corporation (FDIC) insures balances up to certain amounts. At certain times during the year, cash balances exceeded the insured amounts. TGH has not experienced any losses in such accounts. TGH believes it is not exposed to any significant credit risk on its cash.

#### **Funding**

Government grants from the City of Boston comprise 86% and 91% of unrestricted operating revenue for the years ended December 31, 2016 and 2015, respectively. Deferred revenue at December 31, 2016 and 2015 is comprised entirely of funds received from the City of Boston.

One donor represents 70% and 88% of temporarily restricted grants for the years ended December 31, 2016 and 2015, respectively.

### **6. FUNDING**

TGH receives a majority of its funding from the City of Boston (\$837,479 and \$840,554 for the years ended December 31, 2016 and 2015, respectively). These grants have been expended in accordance with the respective terms contained in the agreements and are subject to possible final audit. In the opinion of management, the results of such audits, if any, will not have a material effect on the financial position of TGH as of December 31, 2016 and 2015, or on the changes in net assets for the years then ended.

### **7. FUNDS HELD FOR OTHERS**

TGH serves as a fiscal agent for a start-up organization, Smarter in the City (the Organization), that is in the process of obtaining tax-exempt status. TGH provides bookkeeping and other services for the Organization and charged management fees of \$5,744 and \$5,784, for the years ended December 31, 2016 and 2015, respectively, which is included in grants and contributions in the accompanying statements of activities and changes in net assets. As of December 31, 2016 and 2015, TGH held \$729 and \$59,053 of the Organization's funds, respectively, which is included in cash and funds held for others in the accompanying statements of financial position.

In June 2015, TGH entered into a fiscal agent agreement for a start-up organization, TechHustle, Inc. (TechHustle). TGH provides bookkeeping and grant management services to TechHustle under an agreement that expires in May 2017. This agreement may be renewed annually upon approval by both parties. As of December 31, 2016 and 2015, there were no funds held by TGH on behalf of TechHustle and there was no management fee revenue from TechHustle during the years ended December 31, 2016 and 2015.

### **8. RECLASSIFICATION**

Certain amounts in the 2015 financial statements have been reclassified to conform to the 2016 presentation.