

Annual Meeting Financial Report

This has proved to be another challenging, but productive, year for us. We acquired our own office and classroom location and equipped our new space with a considerable amount of furniture, equipment and fixtures. We have shown ourselves and the South Coast Community that we can operate and thrive as a wholly independent, non-profit organization. I would like to thank all of our members for your generous charitable cash contributions, your willingness to volunteer to serve on committees and to assist in the office during peak activity periods, and especially your work in putting together and leading some truly wonderful study groups. We are an organization of volunteers. We cannot thrive without your continued active involvement.

Financially the Second Half [SH] will close this year with mixed results. On the positive side, we should realize a modest profit of about \$1,950.00. This is no small feat, given our new operating cost structure. Our rent and building maintenance expenses have more than tripled since leaving the UMass facility. We purchased more than \$8,000.00 of furniture and equipment. We incurred \$2,000.00 in moving/set-up costs. We are now required to pay over \$2,700.00 per annum in various payroll taxes. Being independent indeed comes at a cost.

Of some concern is the realization that this year the money we will take in from our core mission of providing quality educational and social interaction activities to members will not be enough to cover our costs of providing those services on a day-to-day-operating basis. It is only with the additional receipt of generous cash contributions from you, our members, and the donation of furniture/equipment from a local legal firm, that we will manage to show a profit. Without these donations the SH would likely experience a loss this year of about **[\$6,700.00]**.

With the bulk of our new facility set-up costs and furniture/equipment purchases behind us, it is my belief that our operating expense run rate can be supported by at least 400-425 members who pay their annual fee, enroll in study groups in percentages we have traditionally experienced, and participate in some of our special events. We currently have 383 members. So, we are not there yet. The Board needs your ongoing help in recruiting new members. Talk us up!! We are a great organization with a lot to offer.

Of course, the Board continues to examine ways to reduce operating costs without impacting the quality of our educational and social offerings. Please assist us --- by offering your suggestions, volunteering and, most importantly, recruiting. Thank you.

A full final Profit and Loss Statement and a full final Balance Sheet will be available for members' review at the Second Half office in Fall River some time in the late September timeframe, after our accountant has completed our tax returns.

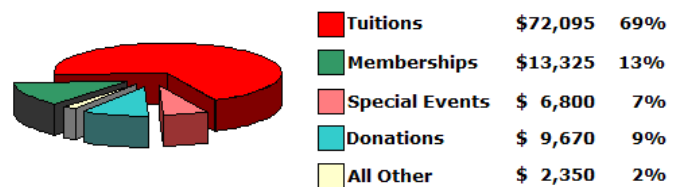
Thanks, again. Have a great summer.

Russ Carey, Treasurer

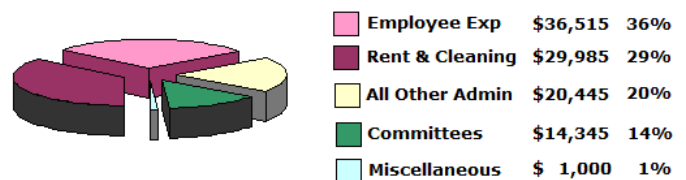
Abbreviated ESTIMATED Profit and Loss Statement

■ REVENUES from Core Operations [Memberships, Tuitions, Special Events, Study Group Fees and Other Miscellaneous Receipts]	\$ 94,570.00
■ Less: EXPENSES from Core Operations [Incurred in Providing Core Operations Activities]	\$101,290.00
Profit or (Loss) from Core Operations Activities	\$ (6,720.00)
■ REVENUES from Non-Core Activities [Donations and Bank Interest]	\$ 9,670.00
■ EXPENSES associated with Non-Core Activities	\$ 1,000.00
Profit or (Loss) from Non-Core Activities	\$ 8,670.00
Total ESTIMATED FY2015 Second Half Profit or (Loss)	<u>\$1,950.00</u>

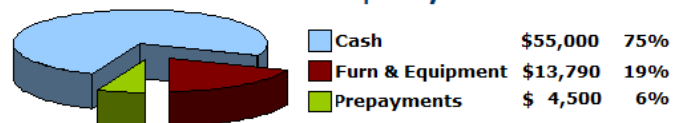
ESTIMATED FY2015 REVENUE: \$104,240



ESTIMATED FY2015 EXPENSES: \$102,290



ESTIMATED FY2015 YEAR-END ASSETS: \$73,290



ESTIMATED FY2015 YEAR-END LIABILITIES AND EQUITY: \$73,290

