



**Statement of Cash Receipts and
Expenditures for the
Financial Transparency Coalition**

**Third Sector New England, Inc.
D/B/A TSNE MissionWorks**

For the Year Ended December 31, 2021



Auditor Information Sheet

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**THIRD SECTOR NEW ENGLAND, INC.
D/B/A TSNE MissionWorks**

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the Financial Transparency Coalition***

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Independent Auditors' Report

Board of Directors
Third Sector New England, Inc.
Boston, Massachusetts

Opinion

We have audited the accompanying statement of cash receipts and expenditures for the Financial Transparency Coalition program of Third Sector New England, Inc. ("TSNE") D/B/A TSNE MissionWorks, for the year ended December 31, 2021 and the notes to the statement of cash receipts and expenditures, including a summary of significant accounting policies (together the "Statement").

In our opinion, the Statement referred to above presents fairly, in all material respects, the cash receipts and expenditures of the Financial Transparency Coalition program of TSNE for the year ended December 31, 2021 in accordance with the basis of accounting described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Statement* section of this report. We are independent of the Financial Transparency Coalition program of TSNE and have fulfilled our ethical requirements in accordance with the relevant ethical requirements relating to our audit, which include relevant ethical requirements in the United States of America and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the Statement, which describes the basis of accounting. The Statement is prepared to assist management to meet the reporting requirements of the Financial Transparency Coalition program of TSNE. As a result, the Statement may not be suitable for another purpose. Our report is intended solely for the Board of Directors and management of TSNE, and for filing with the Norwegian Agency for Development Cooperation and should not be distributed to or used by anyone other than these specified parties. Our opinion is not modified in respect of these matters.



Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation and fair presentation of the Statement in accordance with the basis of accounting described in Note 2; this includes determining that recording receipts in the schedule on the cash basis of accounting and accounting for expenditures on the accrual basis of accounting is an acceptable basis for the preparation of this Statement in the circumstances, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a Statement that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Financial Transparency Coalition program of TSNE's financial reporting process.

Auditors' Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and ISAs will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Statement.

In performing an audit in accordance with GAAS and ISAs, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the Statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of TSNE's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Statement.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Maya Heyman McCann P.C.

May 20, 2022
Boston, Massachusetts

**THIRD SECTOR NEW ENGLAND, INC.
D/B/A TSNE MissionWorks**

***Statement of Cash Receipts and Expenditures for
the Financial Transparency Coalition***

For the Year Ended December 31, 2021

Receipts:		
Grant income - NORAD	\$	420,464
Grant income - other		600,000
Total grant income		1,020,464
Other income		500
Total receipts		1,020,964
Expenses:		
Grants and awards		683,806
Salaries and benefits		245,294
Indirect costs		76,850
Travel and meetings		709
Professional fees and services		175,814
Office supplies and expenses		4,781
Total expenses		1,187,254
Expenses in excess of receipts		(166,290)
Unspent funds, beginning of year		216,947
Unspent funds, end of year	\$	50,657

**THIRD SECTOR NEW ENGLAND, INC.
D/B/A TSNE MissionWorks**

***Notes to Statement of Cash Receipts and Expenditures for
the Financial Transparency Coalition***

For the Year Ended December 31, 2021

Note 1 - Organization and Nature of Activities

The Financial Transparency Coalition (“FTC”) is a global network of civil society, governments and experts who work to curtail illicit financial flows through the promotion of a transparent, accountable and sustainable financial system that better serves for financing development. The FTC is a fiscally sponsored organization operating within Third Sector New England, Inc. (“TSNE”) D/B/A TSNE MissionWorks. FTC received major funding from the Norwegian Agency for Development Cooperation (“NORAD”), Foundation to Promote Open Society, The William and Flora Hewlett Foundation, and Luminate Foundation, Inc. Generally, grant agreements require any unspent funds to be returned to the funder at the end of the grant period. The unspent funds at December 31, 2021 relate to grants from Luminate Foundation, Inc. and Open Society Foundation and are expected to be fully expended by the end of the related grant period which is December 31, 2022.

TSNE is a nonprofit corporation, which offers programs and provides services for nonprofit organizations, foundations and other capacity builders involved in community activities which includes its fiscally sponsored organizations operating within TSNE. TSNE’s mission is to provide information and services to build the knowledge, power and effectiveness of nonprofit organizations that engage people in community and public life and to promote wider recognition of community-based organizations as the primary stewards of societal values.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying statement of cash receipts and expenditures for the Financial Transparency Coalition of TSNE (the “Statement”) presents cash received from grantors during the year and allowable expenses incurred by the Program using the accrual basis of accounting in accordance with the contractual guidelines required by the funder for the Financial Transparency Coalition. The primary difference between accounting standards generally accepted in the United States of America and the basis of accounting for the Program is that revenue is reported when received by the Program on the cash basis of accounting rather than when earned or verifiably committed.

The Statement presents only a selected portion of the operations of TSNE and thus it is not intended to and does not present the financial position, results of operations or cash flows of TSNE.

Expenditure Recognition

Expenditures are charged to the project based on actual costs incurred. Costs are further charged to specific elements within the overall project reported within the Statement to the extent that funders provide resources for specified elements of the project.

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***Notes to Statement of Cash Receipts and Expenditures for
the Financial Transparency Coalition***

For the Year Ended December 31, 2021

Note 2 - Summary of Significant Accounting Policies (Continued)

Expenditure Recognition (Continued)

Fringe benefit rates are charged based on actual costs experienced by TSNE. Fringe benefit rates are computed twice per year. Full time employees incurred a fringe benefit rate of 25.9% or 23.8% while part time employees incurred 8.7% or 8.2% for the two computation periods during the reporting year.

Indirect costs are charged based on allowable rates stipulated by each individual grant agreement. NORAD-funded projects allow indirect charges at a contract rate of 7%

For the year ended December 31, 2021, \$420,464 of expenditures incurred were covered by NORAD funds.

Note 3 - Subsequent Events

Management evaluated subsequent events through May 20, 2022, the date the Statement was issued.