



**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

**Consolidated Financial Statements and Supplementary Information
June 30, 2019
(With Comparative Totals for 2018)**

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

Table of Contents

	<u>Page</u>
Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information	1-2
<u>Financial Statements</u>	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-17
<u>Additional Information</u>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18-19
Supplementary Information: Green Energy Consumers Alliance, Inc.'s Financial Statements	20-23
Supplementary Information: ASEV's Financial Statements	24-27

To the Board of Directors of
Green Energy Consumers Alliance, Inc.
and Amory Street Energy Ventures, Inc.
Jamaica Plain, Massachusetts

Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc., which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated 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 consolidated 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 4, 2020 on our consideration of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc.'s internal control over financial reporting and compliance.

Report on Supplementary Information

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of supplementary information starting on page 20 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



GONZALEZ & ASSOCIATES, P.C.
Certified Public Accountants

Stoughton, Massachusetts
February 4, 2020

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

ASSETS

	2019	2018
<u>Current Assets</u>		
Cash	\$ 1,087,654	\$ 1,177,808
Accounts receivable (net of allowance of \$52,098 and \$41,084, for 2019 and 2018, respectively)	336,455	505,367
Pledges receivable	107,780	25,000
Escrow account	36,305	140,990
Escrow interest	44,877	44,745
Prepaid expenses	1,056,741	936,719
Total current assets	2,669,812	2,830,629
<u>Property and Equipment</u>		
Equipment and software	430,581	420,881
Leasehold improvements	27,481	27,481
IT upgrades	480,536	383,897
Less: accumulated depreciation and amortization	(432,015)	(494,158)
Total property and equipment	506,583	338,101
<u>Other Assets</u>		
Deferred tax asset	76,154	110,407
Deposits	237,017	237,017
Total other assets	313,171	347,424
<u>Total Assets</u>	\$ 3,489,566	\$ 3,516,154

LIABILITIES AND NET ASSETS

<u>Current Liabilities</u>		
Accrued expenses	\$ 1,242,562	\$ 1,309,666
Accrued payroll and benefits	113,251	145,409
Deferred revenue	668,250	613,258
Prepaid dues	105,731	131,313
Tenant security deposit	1,300	1,300
Total current liabilities	2,131,094	2,200,946
<u>Net Assets</u>		
Without donor restrictions	1,027,827	1,037,086
With donor restrictions	330,645	278,122
Total net assets	1,358,472	1,315,208
<u>Total Liabilities and Net Assets</u>	\$ 3,489,566	\$ 3,516,154

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019		2018	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<u>Support and Revenue</u>				
<u>Support</u>				
Contributions and grants	\$ 19,180	\$ 235,987	\$ 255,167	\$ 192,750
Contributions released from restriction	183,464	(183,464)		
Membership dues	193,419		193,419	150,862
Other income	22,275		22,275	1,109
Special events	2,255		2,255	11,797
<u>Revenue</u>				
Green power service fees	939,624		939,624	1,068,414
Contract service fees	2,124,466		2,124,466	2,036,035
Bulk buying service fees	520,225		520,225	491,657
Generated electricity sales	23,247		23,247	16,719
Rental income	17,284		17,284	17,284
Consulting fees	103,412		103,412	48,753
Deferred tax benefit				4,378
Investment income	721		721	535
Loss on disposal of fixed assets	(74,398)		(74,398)	
Total support and revenue	<u>4,075,174</u>	<u>52,523</u>	<u>4,127,697</u>	<u>4,040,293</u>
<u>Operating Expenses</u>				
Program services	3,431,097		3,431,097	3,262,520
Fundraising expenses	45,620		45,620	17,748
Management and general	607,716		607,716	605,966
Total operating expenses	<u>4,084,433</u>		<u>4,084,433</u>	<u>3,886,234</u>
<u>Change in Net Assets</u>	(9,259)	52,523	43,264	154,059
<u>Net Assets - Beginning of Year</u>	<u>1,037,086</u>	<u>278,122</u>	<u>1,315,208</u>	<u>1,161,149</u>
<u>Net Assets - End of Year</u>	<u>\$ 1,027,827</u>	<u>\$ 330,645</u>	<u>\$ 1,358,472</u>	<u>\$ 1,315,208</u>

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)**

	2019						2018	
	Solar PV	Green Power	Heating Oil	Community Programs	Total Program	Fundraising	Management and General	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Advertising		4,697	90		4,787	194	2,698	7,679
Bad debt expense							11,015	11,015
Bank charges		12,740	9,464	424	22,628		1,368	23,996
Commissions and brokers' fees		25,156			25,156			25,156
Consultants and subcontractors		36,626	21,753	7,500	65,879	10,416	48,692	124,987
Copying, printing and mail house		14,668	15,081		29,749	2,194	17,177	49,120
Data Management		38,041			38,041			38,041
Deferred tax expense	34,253				34,253			34,253
Depreciation and amortization	840	18,078	7,568	4,625	31,111	841	10,930	42,882
Dues and subscriptions		70		1,366	1,436		7,533	8,969
Employee benefits		73,371	30,713	18,769	122,853	3,413	44,364	170,630
Equipment rental and maintenance		2,685	1,124	687	4,496	125	1,624	6,245
Grant expense				12,500	12,500			12,500
Insurance	1,017	4,382	1,834	1,121	8,354	204	7,662	16,220
Marketing		15,254	8,559	2,303	26,116		7,387	33,503
Meetings and conferences		8,761		5,014	13,775	79	30,098	43,952
Miscellaneous expense	917				917			917
Office supplies and expense	300	234	1,494	1,918	2,452	692	20,941	24,085
Oil bank delivery and vouchers				9,320	10,814			10,814
Payroll service								
Postage		14,249	9,529	126	23,904	1,813	8,128	34,058
Professional fees	5,000	49,447		1,642	56,089		21,397	77,486
Regulatory fees & licenses	540	225		248	1,013		1,192	2,205
Renewable energy certificates		1,855,014			1,855,014			1,855,014
Rent	11,004	52,618	22,026	13,461	99,109	2,447	31,815	133,371
Repairs and maintenance	700				700			700
Salaries and wages		491,258	203,115	129,171	823,544	20,526	291,410	1,135,480
Special events		9,540		657	10,197		2,294	12,491
Taxes - payroll		41,123	17,215	10,520	68,858	1,913	24,865	95,636
Taxes - state		12,203			12,203			12,203
Telephone and internet	456	5,394	2,258	1,380	9,032	251	3,261	12,544
Travel		6,497	683	1,994	9,174	332	1,182	10,688
Utilities		3,874	1,622	991	6,487	180	2,342	9,009
Total	\$ 55,027	\$ 2,796,205	\$ 354,128	\$ 225,737	\$ 3,431,097	\$ 45,620	\$ 607,716	\$ 4,084,433
								\$ 3,886,234

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019	2018
<u>Cash Flows From Operating Activities</u>		
Change in net assets	\$ 43,264	\$ 154,059
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation and amortization	42,882	65,069
Loss on disposal of fixed assets	74,398	
(Increase) decrease in:		
Accounts receivable	168,912	(63,354)
Pledges receivable	(82,780)	
Escrow account	104,685	116,678
Escrow interest	(132)	(319)
Prepaid expenses	(120,022)	(896,835)
Deferred tax asset	34,253	(4,378)
Increase (decrease) in:		
Accrued expenses	(67,104)	349,384
Accrued payroll and benefits	(32,158)	54,854
Deferred revenue	54,992	
Prepaid dues	(25,582)	630,766
	<u>195,608</u>	<u>405,924</u>
<u>Net Cash Provided by Operating Activities</u>		
<u>Cash Flows From Investing Activities</u>		
Purchase of equipment and IT upgrades	(285,762)	(214,239)
	<u>(285,762)</u>	<u>(214,239)</u>
<u>Net Cash (Used) by Investing Activities</u>		
<u>Cash Flows From Financing Activities</u>	0	0
	<u>0</u>	<u>0</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	(90,154)	191,685
<u>Cash and Cash Equivalents - Beginning of Year</u>	1,177,808	986,123
	<u>1,177,808</u>	<u>986,123</u>
<u>Cash and Cash Equivalents - End of Year</u>	\$ 1,087,654	\$ 1,177,808
SUPPLEMENTAL INFORMATION:		
Interest paid	\$ 0	\$ 0
Income taxes paid	\$ 12,659	\$ 17,091

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

Note 1. Organization

Green Energy Consumers Alliance, Inc. (Green Energy Consumers) was organized in the Commonwealth of Massachusetts in June 1982, then as Boston Fuel Consortium, Inc., as a not-for-profit corporation. In September 2018, the name was officially changed from Energy Consumers Alliance of New England, to Green Energy Consumers Alliance. Prior to July 1, 2006, Energy Consumers Alliance of New England (ECANE) existed as a joint venture between the Massachusetts Energy Consumers Alliance (Mass Energy) and People's Power & Light (PP&L) for the sole purpose of offering renewable energy to customers in Massachusetts and Rhode Island. The two Organizations also had a separate agreement governing PP&L's marketing of Mass Energy's heating oil program in Rhode Island. As of July 1, 2006, Mass Energy acquired the assets of PP&L. Officially the combined Organizations were known as Energy Consumers Alliance of New England, Inc. (ECANE), doing business as Mass Energy Consumers Alliance in Massachusetts and People's Power and Light in Rhode Island. Now, the organizations all operate under the official name of Green Energy Consumers Alliance, Inc.

Green Energy Consumers' mission is to harness the power of energy consumers to speed the transition to a low-carbon future. It eases the burden of high energy costs through discount heating oil, provides education on energy efficiency, advocates for policies that support the transition from fossil fuels to clean energy resources, and operates an "Oil Bank" for households in need. Green Energy Consumers also promotes the development and usage of renewable energy sources by members of the Organization, communities through Green Municipal Aggregation, and the public at large.

Green Energy Consumers' programs consist of the following:

Heating Oil Program

A membership-based program that operates like a buyers club or a co-op. Members pay an annual fee and are assigned to one of our dealers. We use the buying power of our members across Massachusetts and Rhode Island to negotiate better prices for consumers. Our contracts with dealers limit how much our dealers can charge the retail consumer above the wholesale price they pay for heating oil. These dealers pay Green Energy Consumers a monthly commission based on the number of gallons delivered to customers.

Community Programs (including Energy Efficiency, Oil Bank, and Advocacy)

Green Energy Consumers is active in local, state, and regional discussions about energy, advocating for affordable and sustainable solutions. We also promote energy efficiency to our members and the public at large. Member donations to our Oil Bank enable Green Energy Consumers to provide free oil deliveries to low-income households.

Green Power Program

Our green power options enable consumers to choose electricity resources that are cleaner and healthier for the environment than current sources of their electricity. Green Energy Consumers also runs a Drive Green program to promote Electric Vehicle adoption. Discounts with dealers are pre-negotiated and advertised on Green Energy Consumers website, and dealers pay commissions for each car sold through the Drive Green Program.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 1. Organization (Continued)

In December 2011, Amory Street Energy Ventures, Inc. (ASEV), a wholly owned subsidiary of Green Energy Consumers, was organized in the Commonwealth of Massachusetts, as a for-profit corporation. The purpose of the Organization is to promote the development of renewable energy, green power, and energy efficiency in an effort to encourage community reliance on local energy resources and their benefits. To accomplish this, ASEV develops, markets, buys and sells renewable energy products and green energy certificates to the public, business entities, governmental units, nonprofits, and other Organizations.

Note 2. Summary of Significant Accounting Policies

a. Standards of Accounting and Reporting

Green Energy Consumers Alliance, Inc. follows standards of accounting and financial reporting as described in the American Institute of Certified Public Accountants' Audit and Accounting Guide "Not-for-Profit Organizations".

b. Basis of presentation

The financial statements of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc.'s management and the board of directors.

Net assets with donor restrictions

Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 2. Summary of Significant Accounting Policies (Continued)

- c. Cash and Cash Equivalents
For purposes of the statements of cash flows, Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.
- d. Property and Equipment
Property and equipment are recorded at cost, when purchased, or if donated, at their estimated fair market value at date of donation. All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized.
- e. Depreciation and Amortization
Depreciation is calculated on a straight line and double declining balance method over the estimated useful lives of the assets. The useful life of all equipment is 3-5 years and leasehold improvements is 5-20 years. IT upgrades are amortized by the straight-line method over 5 years.
- f. Functional Expenses
The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, benefits, payroll taxes, equipment rental, insurance, rent, telephone, utilities, amortization, and depreciation, which are allocated on the basis of estimates of time and effort.
- g. Summarized Comparative Financial Statements
The financial statements include certain prior year summarized comparative information in total but 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 Organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived.
- h. Use of Estimates
Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 2. Summary of Significant Accounting Policies (Continued)

- i. Contributions
Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.
- j. Allowance for Doubtful Accounts Receivable
Management has recorded an allowance for doubtful accounts for contract fees not expected to be paid. The balances of the allowance for June 30, 2019 and 2018 were \$52,098 and \$41,084, respectively. This estimate is based on prior collection history.
- k. Advertising Costs
Advertising costs are expensed as incurred. Advertising costs for the years ended June 30, 2019, and 2018 totaled \$7,679 and \$24,729, respectively.
- l. Contracts
Financial awards from state governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.
- m. Principles of Consolidation
The accompanying financial statements include the accounts of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. All significant inter-organization transactions and balances if any have been eliminated on consolidation. Both Organizations have fiscal years ending on June 30, 2019.
- n. New Accounting Pronouncement
On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 2. Summary of Significant Accounting Policies (Continued)

o. Fair Value

The Organization follows the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) Topic 820 "Fair Value Measurements and Disclosures", for assets and liabilities that are measured at fair value on a recurring basis, and to determine fair value disclosures. The standard defines fair value and it establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The standard applies to certain other existing pronouncements that require or permit fair value measurements. It does not establish or change any existing requirements for fair value accounting.

Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value accounting standard established a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The three tiers are defined as:

- Level 1 – Observable inputs such as quoted prices in active markets.
- Level 2 – Inputs other than Level 1 inputs that are observable, whether directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable markets.
- Level 3 – Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions and are significant to the fair measurement.

The Organization's investments are valued as follows:

Level 3: Investments in subsidiaries.

Note 3. Tax Status

Green Energy Consumers Alliance, Inc. is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for income taxes is included in the financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an Organization that is not a private foundation under Section 509(a)(2).

The Organization's wholly owned for-profit subsidiary, Amory Street Energy Ventures, Inc., is a taxable entity and is, therefore, subject to federal and state income taxes. Amory Street Energy Ventures, Inc. files a separate income tax return. Amory Street Energy Ventures, Inc. has a net operating loss carry forward resulting from the prior years. A deferred tax asset has been recognized for the tax benefits of loss carry forwards, however a valuation allowance has not been calculated since the loss will be carried over for a twenty-year period, and it is too early to evaluate whether all or a portion of the deferred tax asset will not be realized.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 3. Tax Status (Continued)

The Organization adopted previously deferred guidance related to uncertain tax positions. Financial Accounting Standards Board Accounting Standards Codification (ASC) 740-10 and related subsections prescribes rules for the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Organization's tax returns. As a result of implementing this guidance, management has determined that the Organization does not have any uncertain tax positions that materially impact the consolidated financial statements or related disclosures.

Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Organization's tax returns remain open for federal income tax examination for three years from the date of filing.

Note 4. Deposits

Deposits as of June 30, 2019 and 2018 consist of the following:

Office rental – MA	\$	17,057
Office rental – RI		1,460
REC agreements		207,500
Site rental		11,000
Total deposits	\$	237,017

Note 5. Concentration of Credit Risk

The Organization maintains its cash balance in a local bank. The balance is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances in the bank, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) insured limit per financial institution. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Balances as of June 30, 2019 and 2018 are as follows:

	2019	2018
Fully insured deposits	\$ 361,060	\$ 336,399
Uninsured deposits	764,085	981,825
Total	\$ 1,125,145	\$ 1,318,224

Credit risk with respect to receivables is considered low as a significant portion are from well-established Organizations.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 6. Availability and Liquidity

The following represents Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc.'s financial assets at June 30, 2019:

Financial assets at year-end:	2019	2018
Cash and cash equivalents	\$ 1,087,654	\$ 1,177,808
Pledges receivable	107,780	25,000
Accounts receivable	336,455	505,367
Escrow	81,182	185,735
Total financial assets	1,613,071	1,893,910
Less amounts not available to be used within one year:		
Net assets with donor restrictions	330,645	278,122
Less net assets with purpose restrictions to be met in less than a year	(95,571)	(98,776)
Financial assets not available to be used in one year	235,074	179,346
Financial assets available to meet general expenditures over the next twelve months	\$ 1,377,997	\$ 1,714,564

Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc.'s goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$1,021,108). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts. Green Energy Consumers Alliance, Inc. has a \$150,000 line of credit available to meet cash flow needs. See Note 13 for line of credit details.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient support and revenue to cover general expenditures not covered by donor-restricted resources.

Note 7. Pledges Receivable

As of June 30, 2019, Green Energy Consumers Alliance, Inc.'s pledges receivable represented unconditional promises to give by donors. The Organization believes that pledges receivable are fully collectible. Therefore, no allowance for doubtful accounts is considered necessary.

Note 8. Tax-deferred Annuity Plan

The Organization maintains a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers full-time and part-time employees of the Organization. Contribution is subject to board approval. Pension expense for fiscal years ended June 30, 2019 and 2018 was \$0 and \$36,000, respectively. Employees may make voluntary contributions to the plan up to the maximum amount allowed by the Internal Revenue Code.

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 9. Net Assets

Net assets with donor restrictions were as follows for the years ended June 30, 2019 and 2018:

	2019	2018
Specific Purpose		
Oil Bank	\$ 75,250	\$ 76,846
Oil Bank-Admin	4,968	4,968
Other Restricted	4,134	68,636
NEWF 2.0	158,793	102,672
Passage of Time		
Pledges receivable	87,500	25,000
Total	\$ 330,645	\$ 278,122

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30, 2019 and 2018:

	2019	2018
Satisfaction of Purpose Restrictions		
Oil Bank	\$ 11,223	\$ 22,690
Other Restricted	147,241	127,489
Satisfaction of Time Restrictions		
Pledges receivable	25,000	25,000
Total	\$ 183,464	\$ 175,179

Note 10. Board Designated Assets

In June 2013, the Board passed a resolution that the income or losses incurred by ASEV and the repayment of ASEV's loan receivable will be netted against the board designated net assets. The balance as of June 30, 2019 reflects ASEV's income/losses and the repayment of ASEV's loan receivable for fiscal years 2012 through 2019. The income/losses total \$216,214 as of June 30, 2019.

Board designated net assets as of June 30, 2019 consists of the following:

	2019	2018
Renewable energy generation	\$ 520,948	\$ 532,121

Note 11. Lease Commitments

The Organization entered into a five-year extended lease for office space in Jamaica Plain commencing on January 1, 2015 with a monthly payment of \$8,401, subject to annual increases. As of January 1, 2019, the Organization is a tenant at will with a monthly payment of \$8,656. In addition, Green Energy Consumers Alliance, Inc. entered into a five-year lease for an office in Rhode Island on April 1, 2012 with a monthly payment of \$1,410, subject to annual increases. In December 2016, the Organization extended their lease for an additional three years commencing

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 11. Lease Commitments (Continued)

on April 1, 2017, with a monthly payment of \$1,510, subject to annual increase.

Amory Street Energy Ventures, Inc. entered into a twenty-year agreement to lease the roof of a facility to build, own, and operate a solar photovoltaic system on December 22, 2011. Commencing upon commercial operation, the terms of the lease are \$917 per month for the first 213 months of the twenty-year term, \$0 per month for the following 27 months, and \$917 per month thereafter for any permitted extensions. The commercial operation of the solar photovoltaic system began on December 21, 2012, and the rent expense commenced on January 1, 2013.

Total rent expense in both states and for the use of the facility's roof for fiscal years ended June 30, 2019 and 2018 was \$133,371 and \$132,555, respectively.

Future minimum lease payments for office space in Rhode Island are as follows:

2020	\$ 14,040
------	-----------

Future minimum lease payments for the use of the facility's roof are as follows:

2020	\$ 11,004
2021	11,004
2022	11,004
2023	11,004
2024	11,004
2025 and thereafter	68,775

The Organization subleases space under an agreement which expired December 31, 2018. The Organization is currently a tenant at will until Green Energy Consumers Alliance, Inc. signs a new lease with their landlord. Monthly rental receipts of \$1,440 are required. Rental income for fiscal years ended June 30, 2019 and 2018 was \$17,284 and \$17,284, respectively.

Note 12. Joint Costs

The Organization achieves some of its programmatic and management and general goals in direct mail campaigns that include requests for contributions. In fiscal years 2019 and 2018 the costs of conducting those campaigns included a total of \$83,178 and \$65,143, respectively of joint costs that are not directly attributable to either the program or management and general components or the fund-raising component of the activities. Those joint costs were allocated as follows:

	2019			2018
	Printing	Postage	Total	Total
Program service	\$ 29,749	\$ 23,904	\$ 53,653	\$ 57,301
Management and general	17,177	8,341	25,518	5,131
Fundraising	2,194	1,813	4,007	2,711
Total	\$ 49,120	\$ 34,058	\$ 83,178	\$ 65,143

**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 13. Line of Credit

On February 27, 2013, the Organization entered into a \$150,000 line of credit with Eastern Bank secured by an assignment in a deposit account with a minimum balance required of \$167,000. The interest rate on this line of credit is subject to change based on changes in an index which is the Eastern Bank Base Rate. The interest rate is the base rate plus .25%, with a floor of 3%. The outstanding balance as of June 30, 2019 is \$0.

The interest expense for the line of credit was \$0 for the years ended June 30, 2019 and 2018.

Note 14. Accrued Liabilities for Compensated Absences

The Organization accrues a liability for vacation time. All regular employees of Green Energy Consumers Alliance, Inc. accrue vacation time. Vacation time may be carried over to the following year but must be used by the end of the next fiscal year. Any carried over unused vacation is forfeited at the end of that following fiscal year. Employees who terminate their employment during the year are entitled to receive payment for any unused vacation at the date of termination.

Note 15. New England Wind Fund

The balance of New England Wind Fund (NEWF), which represents contributions for the purchase of Renewable Energy Certificates (RECs), is currently in two separate designated accounts until the actual transfers of RECs to the Generation Information System have been confirmed. The escrow account includes contributions from Massachusetts residents and entities to NEWF from June 2006 to June 2009. This account (including its interest earned) is being held by the Massachusetts Clean Energy Center (MCEC). The principal balance on June 30, 2019 was \$36,305, and interest totaled \$44,877. Beginning July 1, 2009, all NEWF contributions were deposited by Green Energy Consumers Alliance, Inc. in a non-interest-bearing checking account, along with contributions made prior to July 1, 2009 from non-Massachusetts residents and entities. The last contribution to NEWF was made in August 2011. Contributions in all accounts are currently being spent on REC purchases. The Organization can retain up to 25% of the cash receipts to NEWF for administration and program support. At least 75% of the cash receipts and all accrued interest from the escrow account must be used to purchase RECs from wind farms. An accrued REC expense has been included in the financial statements representing the amount of RECs the Organization must purchase based on the current escrow balance, the balance of contributions held by Green Energy Consumers Alliance, Inc., terms and conditions, and related REC purchase agreements. NEWF remaining balances as of June 30, 2019 and 2018 total:

	2019	2018
NEWF Escrow account with MCEC	\$ 36,305	\$ 140,990
NEWF Escrow interest	44,877	44,745
NEWF Checking Account	87,852	87,852
Accrued REC expense	(147,321)	(236,919)
Net profits held in escrow	<u>\$ 21,713</u>	<u>\$ 36,668</u>



**GREEN ENERGY CONSUMERS ALLIANCE, INC.
AND AMORY STREET ENERGY VENTURES, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2019

(Continued)

Note 16. Date of Management's Review

Subsequent events were evaluated through February 4, 2020, which is the date the financial statements were available to be issued.

To the Board of Directors
Green Energy Consumers Alliance, Inc.
and Amory Street Energy Ventures, Inc.
Jamaica Plain, Massachusetts

Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the consolidated financial statements of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc., which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 4, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Gonzalez & Associates PC". The signature is stylized and cursive.

GONZALEZ & ASSOCIATES, P.C.
Certified Public Accountants

Stoughton, Massachusetts
February 4, 2020

**SUPPLEMENTARY INFORMATION
GREEN ENERGY CONSUMERS ALLIANCE, INC.**

SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

ASSETS

	<u>2019</u>	<u>2018</u>
<u>Current Assets</u>		
Cash	\$ 976,594	\$ 1,093,814
Accounts receivable (net of allowance of \$52,098 and \$41,084, for 2019 and 2018, respectively)	327,138	500,976
Pledges receivable	107,780	25,000
Interest receivable	39,814	32,885
Escrow account	36,305	140,990
Escrow interest	44,877	44,745
Prepaid expenses	1,055,737	936,633
Notes receivable, current portion and net of share of deficiency in assets of subsidiary	178,227	189,400
Total current assets	<u>2,766,472</u>	<u>2,964,443</u>
<u>Property and Equipment</u>		
Equipment and software	58,019	48,319
Leasehold improvements	10,681	10,681
IT upgrades	480,536	383,897
Less: accumulated depreciation and amortization	(53,993)	(116,976)
Total property and equipment	<u>495,243</u>	<u>325,921</u>
<u>Other Assets</u>		
Deposits	226,017	226,017
Total other assets	<u>226,017</u>	<u>226,017</u>
<u>Total Assets</u>	<u>\$ 3,487,732</u>	<u>\$ 3,516,381</u>

LIABILITIES AND NET ASSETS

<u>Current Liabilities</u>		
Accrued expenses	\$ 1,240,728	\$ 1,309,893
Accrued payroll and benefits	113,251	145,409
Deferred revenue	668,250	613,258
Prepaid dues	105,731	131,313
Tenant security deposit	1,300	1,300
Total current liabilities	<u>2,129,260</u>	<u>2,201,173</u>
<u>Net Assets</u>		
Without donor restrictions	1,027,827	1,037,086
With donor restrictions	330,645	278,122
Total net assets	<u>1,358,472</u>	<u>1,315,208</u>
<u>Total Liabilities and Net Assets</u>	<u>\$ 3,487,732</u>	<u>\$ 3,516,381</u>

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

SUPPLEMENTARY INFORMATION
GREEN ENERGY CONSUMERS ALLIANCE, INC.

SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019		2018	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<u>Support and Revenue</u>				
<u>Support</u>				
Contributions and grants	\$ 19,180	\$ 235,987	\$ 255,167	\$ 192,750
Contributions released from restriction	183,464	(183,464)		
Membership dues	193,419		193,419	150,862
Other income	22,275		22,275	1,109
Special events	2,255		2,255	11,797
<u>Revenue</u>				
Green power service fees	939,624		939,624	1,068,414
Contract service fees	2,094,278		2,094,278	2,006,480
Bulk buying service fees	520,225		520,225	491,657
Rental income	17,284		17,284	17,284
Consulting fees	106,064		106,064	51,133
Investment income	7,650		7,650	9,527
Loss on disposal of fixed assets	(74,398)		(74,398)	
Total support and revenue	4,031,320	52,523	4,083,843	4,001,013
<u>Operating Expenses</u>				
Program services	3,376,070		3,376,070	3,215,109
Fundraising expenses	45,620		45,620	17,748
Management and general	607,716		607,716	605,966
Total operating expenses	4,029,406		4,029,406	3,838,823
<u>Change in Net Assets Before Earnings/ Loss of Subsidiary</u>				
	1,914	52,523	54,437	162,190
<u>Equity in Net Income/Loss of Subsidiary</u>				
	(11,173)		(11,173)	(8,131)
<u>Change in Net Assets</u>				
	(9,259)	52,523	43,264	154,059
<u>Net Assets - Beginning of Year</u>				
	1,037,086	278,122	1,315,208	1,161,149
<u>Net Assets - End of Year</u>				
	\$ 1,027,827	\$ 330,645	\$ 1,358,472	\$ 1,315,208

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

**SUPPLEMENTARY INFORMATION
GREEN ENERGY CONSUMERS ALLIANCE, INC.**

SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019						2018	
	Green Power	Heating Oil	Community Programs	Total Program	Fundraising	Management and General	Total	Total
Advertising	\$ 4,697	\$ 90	\$	\$ 4,787	\$ 194	\$ 2,698	\$ 7,679	\$ 24,729
Bad debt expense						11,015	11,015	450
Bank charges	12,740	9,464	424	22,628		1,368	23,996	29,300
Commissions and brokers' fees	25,156			25,156			25,156	37,518
Consultants and subcontractors	36,626	21,753	7,500	65,879	10,416	48,692	124,987	174,700
Copying, printing and mail house	14,668	15,081		29,749	2,194	17,177	49,120	44,273
Data Management	38,041			38,041			38,041	25,313
Depreciation and amortization	18,078	7,568	4,625	30,271	841	10,930	42,042	42,769
Dues and subscriptions	70		1,366	1,436		7,533	8,969	10,232
Employee benefits	73,371	30,713	18,769	122,853	3,413	44,364	170,630	195,420
Equipment rental and maintenance	2,685	1,124	687	4,496	125	1,624	6,245	5,823
Grant expense			12,500	12,500			12,500	
Insurance	4,382	1,834	1,121	7,337	204	7,662	15,203	15,713
Marketing	15,254	8,559	2,303	26,116		7,387	33,503	23,803
Meetings and conferences	8,761		5,014	13,775	79	30,098	43,952	68,181
Office supplies and expense	234		1,918	2,152	692	20,941	23,785	24,792
Oil bank delivery and vouchers		1,494	9,320	10,814			10,814	22,690
Payroll service						8,128	8,128	8,355
Postage	14,249	9,529	126	23,904	1,813	8,341	34,058	20,870
Professional fees	49,447		1,642	51,089		21,397	72,486	55,486
Regulatory fees & licenses	225		248	473		1,192	1,665	2,867
Renewable energy certificates	1,855,014			1,855,014			1,855,014	1,729,462
Rent	52,618	22,026	13,461	88,105	2,447	31,815	122,367	121,551
Salaries and wages	491,258	203,115	129,171	823,544	20,526	291,410	1,135,480	1,004,942
Special events	9,540		657	10,197		2,294	12,491	16,107
Taxes - payroll	41,123	17,215	10,520	68,858	1,913	24,865	95,636	86,129
Taxes - state	12,203			12,203			12,203	16,635
Telephone and internet	5,394	2,258	1,380	9,032	251	3,261	12,544	11,598
Travel	6,497	683	1,994	9,174	332	1,182	10,688	10,751
Utilities	3,874	1,622	991	6,487	180	2,342	9,009	8,364
Total	\$ 2,796,205	\$ 354,128	\$ 225,737	\$ 3,376,070	\$ 45,620	\$ 607,716	\$ 4,029,406	\$ 3,838,823

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

**SUPPLEMENTARY INFORMATION
GREEN ENERGY CONSUMERS ALLIANCE, INC.**

SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019	2018
<u>Cash Flows From Operating Activities</u>		
Change in net assets	\$ 43,264	\$ 154,059
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Equity in net income/loss of subsidiary	11,173	8,131
Depreciation and amortization	42,042	42,769
Loss on disposal of fixed assets	74,398	
(Increase) decrease in:		
Accounts receivable	173,838	(55,766)
Pledges receivable	(82,780)	
Notes receivable		77,673
Interest receivable	(6,929)	13,833
Escrow account	104,685	116,678
Escrow interest	(132)	(319)
Prepaid expenses	(119,104)	(896,749)
Increase (decrease) in:		
Accrued expenses	(69,165)	352,362
Accrued payroll and benefits	(32,158)	54,854
Deferred revenue	54,992	
Prepaid dues	(25,582)	630,766
	<u>168,542</u>	<u>498,291</u>
<u>Net Cash Provided by Operating Activities</u>		
	<u>168,542</u>	<u>498,291</u>
<u>Cash Flows From Investing Activities</u>		
Purchase of equipment and IT upgrades	(285,762)	(214,239)
	<u>(285,762)</u>	<u>(214,239)</u>
<u>Net Cash (Used) by Investing Activities</u>		
	<u>(285,762)</u>	<u>(214,239)</u>
<u>Cash Flows From Financing Activities</u>	<u>0</u>	<u>0</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	(117,220)	284,052
<u>Cash and Cash Equivalents - Beginning of Year</u>	1,093,814	809,762
<u>Cash and Cash Equivalents - End of Year</u>	<u>\$ 976,594</u>	<u>\$ 1,093,814</u>
SUPPLEMENTAL INFORMATION:		
Interest paid	\$ 0	\$ 0
Income taxes paid	<u>\$ 12,203</u>	<u>\$ 16,635</u>

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

SUPPLEMENTARY INFORMATION
AMORY STREET ENERGY VENTURES, INC.

SCHEDULE OF FINANCIAL POSITION
 JUNE 30, 2019
 (WITH COMPARATIVE TOTALS FOR 2018)

ASSETS

	2019	2018
<u>Current Assets</u>		
Cash and cash equivalents	\$ 111,060	\$ 83,994
Accounts receivable	24,349	11,771
Prepaid expenses	1,004	86
Total current assets	136,413	95,851
<u>Property and Equipment</u>		
Equipment	372,562	372,562
Leasehold improvement	16,800	16,800
Less: accumulated depreciation	(378,022)	(377,182)
Total property and equipment	11,340	12,180
<u>Other Assets</u>		
Deposits	11,000	11,000
Deferred tax asset	76,154	110,407
Total other assets	87,154	121,407
<u>Total Assets</u>	\$ 234,907	\$ 229,438

LIABILITIES AND NET ASSETS

<u>Current Liabilities</u>		
Accrued expenses	\$ 16,866	\$ 7,153
Interest payable	39,814	32,885
Note payable, current portion	290,391	228,184
Total current liabilities	347,071	268,222
<u>Long-Term Liabilities</u>		
Note payable, net	103,050	165,257
Total long-term liabilities	103,050	165,257
<u>Stockholder's Equity</u>		
Capital stock, no par value, 1000 authorized, 1000 authorized and issued	1,000	1,000
Retained deficit	(216,214)	(205,041)
Total stockholder's equity	(215,214)	(204,041)
<u>Total Liabilities and Stockholder's Equity</u>	\$ 234,907	\$ 229,438

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

**SUPPLEMENTARY INFORMATION
AMORY STREET ENERGY VENTURES, INC.**

STATEMENT OF REVENUES, EXPENSES AND RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019	2018
<u>Revenue</u>		
Generated electricity sales	\$ 23,247	\$ 16,719
Contract service fees	30,188	29,555
Deferred tax benefit		4,378
<u>Total Revenue</u>	53,435	50,652
<u>Operating Expenses</u>	(29,899)	(58,327)
<u>Net Income Before Taxes</u>	23,536	(7,675)
<u>Deferred Tax Expense</u>	(34,253)	
<u>State Income Taxes</u>	(456)	(456)
<u>Net Income After Taxes</u>	(11,173)	(8,131)
<u>Retained Deficit - Beginning</u>	(205,041)	(196,910)
<u>Retained Deficit - Ending</u>	\$ (216,214)	\$ (205,041)

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

SUPPLEMENTARY INFORMATION
AMORY STREET ENERGY VENTURES, INC.

SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	<u>2019</u>	<u>2018</u>
<u>Operating Expenses</u>		
Consultants	\$ 2,652	\$ 3,020
Depreciation	840	22,300
Insurance	1,017	945
Interest expense	6,929	8,992
Miscellaneous expense	917	
Office supplies and expense	300	
Permits, licenses and fees	540	
Professional fees	5,000	5,000
Repairs and maintenance	700	7,066
Rent	11,004	11,004
	<u>11,004</u>	<u>11,004</u>
<u>Total Operating Expenses</u>	<u>\$ 29,899</u>	<u>\$ 58,327</u>

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

**SUPPLEMENTARY INFORMATION
AMORY STREET ENERGY VENTURES, INC.**

SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS FOR 2018)

	2019	2018
<u>Cash Flows From Operating Activities</u>		
Net Income (Deficit) of revenues over expenses	\$ (11,173)	\$ (8,131)
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:		
Depreciation	840	22,300
(Increase) decrease in:		
Accounts receivable	(12,578)	15,707
Prepaid expenses	(918)	(86)
Deferred tax asset	34,253	(4,378)
Increase (decrease) in:		
Accrued expenses	9,713	(26,273)
Interest payable	6,929	(13,833)
	<u>27,066</u>	<u>(14,694)</u>
<u>Net Cash Provided (Used) by Operating Activities</u>		
<u>Cash Flows From Investing Activities</u>	<u>0</u>	<u>0</u>
<u>Cash Flows From Financing Activities</u>		
Payment of note principal	<u>0</u>	<u>(77,673)</u>
<u>Net Cash (Used) by Financing Activities</u>	<u>0</u>	<u>(77,673)</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>	<u>27,066</u>	<u>(92,367)</u>
<u>Cash and Cash Equivalents - Beginning of Year</u>	<u>83,994</u>	<u>176,361</u>
<u>Cash and Cash Equivalents - End of Year</u>	<u>\$ 111,060</u>	<u>\$ 83,994</u>
 <u>SUPPLEMENTAL DISCLOSURES</u>		
Interest paid	<u>\$ 6,929</u>	<u>\$ 8,992</u>
Income taxes paid	<u>\$ 456</u>	<u>\$ 456</u>

See accompanying notes. See Independent Auditors' Report on the Consolidated Financial Statements and Supplementary Information.

February 4, 2020

To The Board of Directors
Green Energy Consumers Alliance, Inc.
and Amory Street Energy Ventures, Inc.
284 Amory Street
Jamaica Plain, MA 02130

We have audited the consolidated financial statements of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. for the year ended June 30, 2019, and have issued our report thereon dated February 4, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 3, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. are described in Note 2 to the financial statements. As described in Note 2n, the Organization changed accounting policies related to the presentation of financial statements by adopting FASB Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-For-Profit Entities*, in 2019. Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was the allocation of salaries and related expenses.

Management's estimate of the allocation of salaries and related expenses is based on job assignments and time studies. We evaluated the key factors and assumptions used to develop the allocation in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level

of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 4, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the board of directors and management of Green Energy Consumers Alliance, Inc. and Amory Street Energy Ventures, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in blue ink that reads "Gonzalez & Associates PC". The signature is stylized and cursive.

GONZALEZ & ASSOCIATES, P.C.
Certified Public Accountants

Stoughton, MA