

Form **990-EZ**

Department of the Treasury
Internal Revenue Service

Short Form Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

▶ Sponsoring organizations, and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year may use this form.

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-1150

2007

**Open to Public
Inspection**

A For the 2007 calendar year, or tax year beginning _____, **2007**, and ending _____, **20**

B Check if applicable:

- Address change
- Name change
- Initial return
- Termination
- Amended return
- Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization

Number and street (or P.O. box, if mail is not delivered to street address) Room/suite

City or town, state or country, and ZIP + 4

D Employer identification number

E Telephone number

() _____

F Group Exemption Number . . . ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

G Accounting method: Cash Accrual
Other (specify) ▶

I Website: ▶ _____

H Check if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Organization type (check only one)— 501(c) () ◀ (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally **not** more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$100,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 55 of the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received	1	
	2 Program service revenue including government fees and contracts	2	
	3 Membership dues and assessments	3	
	4 Investment income	4	
	5a Gross amount from sale of assets other than inventory	5a	
	b Less: cost or other basis and sales expenses	5b	
	c Gain or (loss) from sale of assets other than inventory. Subtract line 5b from line 5a (attach schedule)	5c	
	6 Special events and activities (attach schedule). If any amount is from gaming , check here <input type="checkbox"/>		
	a Gross revenue (not including \$ _____ of contributions reported on line 1)	6a	
b Less: direct expenses other than fundraising expenses	6b		
c Net income or (loss) from special events and activities. Subtract line 6b from line 6a	6c		
7a Gross sales of inventory, less returns and allowances	7a		
b Less: cost of goods sold	7b		
c Gross profit or (loss) from sales of inventory. Subtract line 7b from line 7a	7c		
8 Other revenue (describe ▶ _____)	8		
9 Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8 ▶	9		
Expenses	10 Grants and similar amounts paid (attach schedule)	10	
	11 Benefits paid to or for members	11	
	12 Salaries, other compensation, and employee benefits	12	
	13 Professional fees and other payments to independent contractors	13	
	14 Occupancy, rent, utilities, and maintenance	14	
	15 Printing, publications, postage, and shipping	15	
	16 Other expenses (describe ▶ _____)	16	
17 Total expenses. Add lines 10 through 16 ▶	17		
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 9	18	
	19 Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	
	20 Other changes in net assets or fund balances (attach explanation)	20	
	21 Net assets or fund balances at end of year. Combine lines 18 through 20 ▶	21	

Part II Balance Sheets—If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ.

(See page 60 of the instructions.)

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	22	
23 Land and buildings	23	
24 Other assets (describe ▶ _____)	24	
25 Total assets	25	
26 Total liabilities (describe ▶ _____)	26	
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	27	

Part III Statement of Program Service Accomplishments (See page 60 of the instructions.)	Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.)
What is the organization's primary exempt purpose? _____ Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.	
28 _____ _____ (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> 28a	
29 _____ _____ (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> 29a	
30 _____ _____ (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> 30a	
31 Other program services (attach schedule) _____ (Grants \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/> 31a	
32 Total program service expenses. Add lines 28a through 31a <input type="checkbox"/> 32	

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated. See page 61 of the instructions.)				
(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances

Part V Other Information (Note the statement requirement in General Instruction V.)		Yes	No
33 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	33		
34 Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	34		
35 If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.			
a Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?	35a		
b If "Yes," has it filed a tax return on Form 990-T for this year?	35b		
36 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.	36		
37a Enter amount of political expenditures, direct or indirect, as described in the instructions. <input type="checkbox"/> 37a	37a		
b Did the organization file Form 1120-POL for this year?	37b		
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?	38a		
b If "Yes," attach the schedule specified in the line 38 instructions and enter the amount involved	38b		
39 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on line 9	39a		
b Gross receipts, included on line 9, for public use of club facilities	39b		

Part V Other Information (Note the statement requirement in General Instruction V.) (Continued)

40a 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under:
 section 4911 ▶ _____ ; section 4912 ▶ _____ ; section 4955 ▶ _____

b 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach an explanation . . .

	Yes	No
40b		
40e		

c Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . ▶ _____

d Enter amount of tax on line 40c reimbursed by the organization . . . ▶ _____

e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? . . . ▶ _____

41 List the states with which a copy of this return is filed. ▶ _____

42a The books are in care of ▶ _____ Telephone no. ▶ (_____) _____
 Located at ▶ _____ ZIP + 4 ▶ _____

b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . .

	Yes	No
42b		
42c		

If "Yes," enter the name of the foreign country: ▶ _____

See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**.

c At any time during the calendar year, did the organization maintain an office outside of the U.S.? . . .

If "Yes," enter the name of the foreign country: ▶ _____

43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041**—Check here . . . ▶
 and enter the amount of tax-exempt interest received or accrued during the tax year . . . ▶ **43** |

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

▶ _____ Date _____
 Signature of officer

▶ _____
 Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ▶ _____ Date _____ Check if self-employed ▶ Preparer's SSN or PTIN (See Gen. Inst. X) _____

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ _____ EIN ▶ _____ Phone no. ▶ (_____) _____

Part I, line 1: Contributions, gifts, grants, etc.

No contributor gave \$5,000 or more during the year.

Part I, Line 6: Three largest special events and activities

Slightly more than half of the Association's income was from a total of nine fund-raising events. The three largest fund-raising events, by net income, were:

1. Autumn Craft Fair. An October craft fair held in the Somersworth High School at which vendors sell various craft items. The Association's income was from rent of spaces to vendors and the sale of food.
2. Holiday Craft Fair. A December craft fair held in the Somersworth High School at which vendors sell various craft items. The Association's income was from rent of spaces to vendors and the sale of food.
3. Poker Gaming. This event covers the proceeds of ten nights of poker games conducted as authorized by New Hampshire law (see RSA Chapter 287-D and the rules of the N.H. Racing and Charitable Gaming Commission) for fund-raising by charitable organizations.

No contribution income was received in the gross income of the fund raising events.

Event	Gross Revenue	Direct Expense	Net Income
Autumn Craft Fair	\$ 10,156	\$ 1,435	\$ 8,721
Holiday Craft Fair	8,492	931	7,561
Poker Gaming	20,958	13,977	6,981
All other events (6)	<u>12,815</u>	<u>3,231</u>	<u>9,585</u>
Total	\$ 58,651	\$ 19,817	\$ 38,834

The other events were an auction conducted jointly with the Greater Somersworth Chamber of Commerce, a spring craft fair, a carnival, a middle school dance, a wine tasting and participation in a winter festival.

Part I, line 10: Grants and similar amounts paid.

The objectives of the Association include partial funding of the Artist in Schools and the Arts and Crafts programs in the Somersworth public school system, promoting arts activities, and awarding a scholarship to a student pursuing higher education in the arts. All grant expenditures this year were for in-school programs except for award of a \$2,000 scholarship payable in four annual installments. Grants were made as follows:

<u>Class of Activity</u>	<u>Grantee</u>	<u>Amount Given</u>
<u>Artist in Schools</u>	Maplewood Elementary School Maplewood Dr. Somersworth, NH	\$ 2,500
	Hilltop Elementary School 17 Grand St. Somersworth, NH	750

<u>Class of Activity</u>	<u>Grantee</u>	<u>Amount Given</u>
	Somersworth Middle School Memorial Dr. Somersworth, NH	600
	Total Artist in Schools	\$ 3,850
<u>Arts & Crafts</u>		
	Maplewood Elementary School	\$ 221
	Hilltop Elementary School	221
	Somersworth Middle School	624
	Total Arts & Crafts	\$ 1,066
<u>Scholarship</u>		
	Thomas Boisse	\$ 2,000
	Grand Total Grants	\$ 6,916

No grantee was related to any person or corporation with an interest in the Somersworth Festival Association other than Diane Brown, a director, who was employed as a secretary at Hilltop Elementary School.

Part I, lines 11 and 12: Salaries and Professional fees

Beginning with the current reporting year the Festival Association ceased obtaining general management services from and employee (line 11) and began receiving substantially the same services from and independent contractor (line 12).

Part I, line 16: Other expenses

"Other" expenses are the direct expenses for the production of the annual International Children's Festival and the Kid's Concert series. These expenses included \$17,725 for fireworks and in fees paid to entertainers for performances and \$2,282 for municipally detailed police security officers. They also include such expenses as repairs and improvements to portable stages, temporary toilet facility rental, etc. They include membership in several civic organizations and other minor unclassified expenses. They do not include the portion of management costs associated with Festival Day activities, maintenance and depreciation of the stage facility reported on line 14, or publicity reported on line 15.

Part II, line 26: Liabilities

As of September 30, 2008, liabilities were comprised of:

Deferred fund raising revenue*	\$ 6,485
Deferred Pumpkin Festival revenue**	3,475
Miscellaneous accounts payable	105
Scholarships payable (over four year period - see below)	3,500
Total liabilities	\$ 13,565

*Two fund raising craft fairs occur just after the end of the fiscal year. Crafter space rental payments for these future events are deferred and recognized during the fiscal year of the fairs.

**The Festival Association assumed responsibility for a Pumpkin Festival previously sponsored by the Somersworth Main Street Program to be held in October 2008. Contributions received for the event are recorded as deferred revenues to be recognized in the fiscal year in which the Pumpkin Festival occurs. Prepaid expenses for the event are similarly accrued.

Part III: Statement of program service accomplishments.

The purpose of the Somersworth Festival Association is to foster civic pride in the City of Somersworth, in the activities and achievements of its children and in the diversity of its ethnic background and to foster the arts especially as they relate to children and families.

	Expenses
line 28. The annual Somersworth International Children's Festival is a two day event ending on the third Saturday in June beginning the night before the Festival with a free concert and fireworks show which attracted an estimated 6,000 persons this year. An estimated 35,000 people attended the Festival which was its 27 th annual production. Performing artists, events and ethnic food vendors highlight the cultural diversity of the community and its pride in the activities of its children. (Grants - none)	\$ 44,133
line 29. The Association produced six outdoor musical programs on Wednesday evenings during July and August targeted at families with small children. Attendance averaged 255 persons per performance. (Grants - none)	7,788
line 30. Grants to local schools were made and a scholarship was awarded. (Grants - \$6,916)	6,916
Line 32. Total program service expenses	\$ 58,837

Part IV: List of officers, directors, trustees and key employees

(A) <u>Name & Address</u>	(B) <u>Title & avg. hrs. per week devoted to position</u>	(C) <u>Compensation</u>	(D) <u>Cont. to employee benefit plans & deferred compensation</u>	(E) <u>Expense account & other allowances</u>
Jason Morrison P.O. Box 801 Somersworth, NH	President 6 hrs./wk.	-0-	-0-	-0-
Paul Houde 151 Indigo Hill Rd Somersworth, NH	Vice-president 4 hrs./wk.	-0-	-0-	-0-
Patricia LeHoullier 43 Davis St. Somersworth, NH	Secretary 4 hrs./wk.	-0-	-0-	-0-
Philip Munck 4 Woodchuck Lane Somersworth, NH	Treasurer 8 hrs./wk.	-0-	-0-	-0-

SOMERSWORTH FESTIVAL ASSOCIATION
 EIN: 02-0368054
 Form 990-EZ (2007) Schedule Attachment

(A)	(B)	(C)	(D)	(E)
<u>Name & Address</u>	<u>Title & avg. hrs. per week devoted to position</u>	<u>Compensation</u>	<u>Cont. to employee benefit plans & deferred compensation</u>	<u>Expense account & other allowances</u>
Kathy Butler 19 McNeil Dr Rochester, NH 03867	Director 4 hrs./wk.	-0-	-0-	-0-
Thomas Brown 2 Francoeur Dr Somersworth, NH	Director 6 hrs./wk.	-0-	-0-	-0-
Diane Brown 2 Francoeur Dr Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
James Butterfield 85 Indigo Hill Rd Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Darryl Cauchon 11 Turgeon's Ln Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Denise Gauthier 20 Francoeur Dr Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Brian Gauthier 20 Francoeur Dr Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Cheryl Dean 7 Stratham Ln Stratham, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Milton Dean 7 Stratham Ln Stratham, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Paul Dubois 5 Turgeon Ln Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Martin Dumont 6 Pinecrest Dr Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Richard Hamilton 14 Chelsey Av Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Caroline Morgan 29 Rouleau Dr Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-

SOMERSWORTH FESTIVAL ASSOCIATION
 EIN: 02-0368054
 Form 990-EZ (2007) Schedule Attachment

(A)	(B)	(C)	(D)	(E)
<u>Name & Address</u>	Title & avg. hrs. per week devoted to <u>position</u>	<u>Compensation</u>	Cont. to employee benefit plans & deferred <u>compensation</u>	Expense account & other <u>allowances</u>
Martin Perreault 14 Kim Ln Rochester, NH	Director 4 hrs./wk.	-0-	-0-	-0-
David Roberge 10 Pleasant St Somersworth, NH	Director 6 hrs./wk.	-0-	-0-	-0-
Patricia Soucy 5 Quarry Rd Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Arnold Tarr 6 Francoeur Dr Somersworth, NH	Director 4 hrs./wk.	-0-	-0-	-0-
Heather Wass 114 Tideview Rd Dover, NH	Director 4 hrs./wk.	-0-	-0-	-0-

The governance of the Somersworth Festival Association is vested in a large, part-time Board of Directors all of whom are required to attend monthly meetings, participate in working groups and committees and who receive no direct or indirect compensation for their efforts.