

**ONE BROOKLYN FUND, INC.**  
**FINANCIAL STATEMENTS**  
**INCEPTION TO JUNE 30, 2015**

**ONE BROOKLYN FUND, INC.**

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**ERNEST D. LOEWENWARTER & CO. LLP**  
CERTIFIED PUBLIC ACCOUNTANTS  
ESTABLISHED 1903

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### Independent Auditors' Report

Board of Directors  
One Brooklyn Fund, Inc.  
Brooklyn, New York

We have audited the accompanying financial statements of One Brooklyn Fund, Inc. (the Organization), which comprise the statements of financial position as of June 30, 2015 and the related statements of activities and cash flows for the period then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of One Brooklyn Fund, Inc. as of June 30, 2015 and the changes in its net assets and its cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America.

**Ernest D. Loewenwarter & Co., LLP**  
Certified Public Accountants

Mineola, NY  
February 7, 2016

**ONE BROOKLYN FUND, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

	<b>2015</b>
<b><u>ASSETS</u></b>	
Current Assets	
Cash and Cash Equivalents	\$ 85,790
Cash and Cash Equivalents - Restricted	164,066
Total Cash and Cash Equivalents	249,856
Accounts Receivable - <b>Note 3</b>	2,500
Inventory - Tourism Merchandise	9,844
Total Current Assets	262,200
Non-Current Assets	-
<b>Total Assets</b>	<b>\$ 262,200</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>	
Current Liabilities	
Accounts Payable & Accrued Expenses	77,062
Total Current Liabilities	77,062
Net Assets	
Unrestricted	(11,428)
Temporarily Restricted - <b>Note 2</b>	196,566
Total Net Assets	185,138
<b>Total Liabilities and Net Assets</b>	<b>\$ 262,200</b>

See Independent Auditors' Report.  
The accompanying notes are an integral part of this statement.

**ONE BROOKLYN FUND, INC.**  
**STATEMENTS OF ACTIVITIES AND NET ASSETS**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

	2015		
	Unrestricted	Temporarily Restricted	Total
<b>Revenue</b>			
Corporate Contributions	\$ 140,285		\$ 140,285
Contributions - In Kind - <b>Note 5</b>	109,575		109,575
Foundation Contributions	42,250	32,500	74,750
Government Grants	20,000		20,000
Merchandise Contributions - In Kind - <b>Note</b>	9,844		9,844
Program Service Revenue:	-		
Initial Funding of Borough Hall Account	-	118,899	118,899
Program Service Revenue	12,648	45,167	57,815
Interest Income	19		19
Net Assets Released from Restriction	-		-
Total Revenue	<u>334,621</u>	<u>196,566</u>	<u>531,187</u>
<b>Expenses</b>			
Program Services - <b>Note 4</b>			
Holiday Events	74,757	-	74,757
Community Outreach	84,072	-	84,072
Tourism	55,432	-	55,432
Borough Hall Events	115,366	-	115,366
Total Program Services	<u>329,627</u>	<u>-</u>	<u>329,627</u>
Supporting Services			
Administrative	16,422	-	16,422
Total Supporting Services	<u>16,422</u>	<u>-</u>	<u>16,422</u>
Total Expenses	<u>346,049</u>	<u>-</u>	<u>346,049</u>
<b>Change in Net Assets</b>	<u>\$ (11,428)</u>	<u>\$ 196,566</u>	<u>\$ 185,138</u>
<b>Net Assets - Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Assets - End of Year</b>	<u><u>\$ (11,428)</u></u>	<u><u>\$ 196,566</u></u>	<u><u>\$ 185,138</u></u>

See Independent Auditors' Report.

The accompanying notes are an integral part of this statement.

# One Brooklyn Fund, Inc.

Exhibit C

## Statement of Functional Expense

For the Period Inception to June 30, 2015

	Administrative	Borough Hall Events	Community Outreach	Holiday Events	Tourism	TOTAL
Auditing Fee	\$ 4,500	-	-	-	-	\$ 4,500.0
Building Representative	-	7,460	-	-	-	7,460
Entertainment/Performances	-	-	2,300	3,650	-	5,950
Meals/Catering/Receptions	208	-	31,788	5,276	1,285	38,558
Outside Contract Services	-	72,861	10,557	1,100	37,000	121,518
Donated Administrative Services	600	1,890	1,350	1,242	918	6,000
Donated Personnel	9,158	28,846	20,604	18,956	14,011	91,575
Donated Facilities	1,200	3,780	2,700	2,484	1,836	12,000
Equip Rental and Maintenance	-	-	1,914	-	-	1,914
Facilities and Equipment - Other	-	239	604	-	-	843
Membership Dues	595	-	-	-	-	595
Postage, Mailing Service	-	-	-	45	-	45
Printing and Copying	141	-	6,373	-	-	6,514
Supplies	-	289	3,847	269	-	4,405
Insurance - Liability, D and O	-	-	-	253	-	253
Other Costs	20	-	-	-	-	20
Program Expense	-	-	2,035	28,749	382	31,166
Travel and Meetings	-	-	-	12,733	-	12,733
<b>Total Expenses</b>	<b>\$ 16,422</b>	<b>\$ 115,366</b>	<b>\$ 84,072</b>	<b>\$ 74,757</b>	<b>\$ 55,432</b>	<b>\$ 346,049</b>

**ONE BROOKLYN FUND, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED JUNE 30, 2015**

	<b>2015</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Increase in Net Assets	185,138
<b>Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:</b>	
Depreciation on equipment	-
<b>Changes in Assets and Liabilities:</b>	
Decrease (Increase) in Accounts Receivables	(2,500)
Decrease (Increase) in Inventory	(9,844)
Decrease (Increase) in Prepaid Expenses	-
Decrease (Increase) in Accounts Payable and	77,062
	<b>249,856</b>
 <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	 <b>249,856</b>
 <b>NET INCREASE IN CASH</b>	 <b>249,856</b>
 <b>CASH AND CASH EQUIVALENTS - Beginning of Period</b>	 <b>-</b>
 <b>CASH AND CASH EQUIVALENTS - End of Period</b>	 <b>\$ 249,856</b>
 <b>Supplemental Information for Non-cash Activities:</b>	
In-Kind Non-cash Contributions	<b>\$ 119,419</b>

See Independent Auditors' Report.

The accompanying notes are an integral part of this statement.

**ONE BROOKLYN FUND, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**NOTE 1. ORGANIZATION AND NATURE OF CLIENTS**

One Brooklyn Fund, Inc. (the Organization) is a non-for-profit corporation organized in March 2014 under New York State law. The Organization is governed by a volunteer board of directors, whose mission is to provide and support services, programs, and events to the residents, businesses, community-based civic and cultural institutions, and general community of Brooklyn. The organization will also engage in fund raising activities to assist Brooklyn residents and community groups. The Organization will promote the culture of one Brooklyn by celebrating the diversity of the Brooklyn borough as well as that which unites it. The Organization's support comes primarily from public and private contributions, various government grants, and program service revenues. The Organization is exempt from income tax liability under Section 501(c)(3) of the Internal Revenue Code.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Method of Accounting**

Assets, liabilities, revenue, and expenses are recognized on the accrual basis of accounting.

**b. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**c. Cash and Cash Equivalents**

The Organization considers all short term investments with maturities of three months or less to be cash equivalents. The Organization maintains its cash balances in institutions insured by the Federal Deposit Insurance Corporation. Accounts are insured up to \$250,000. The Organization maintains cash balances in accounts above the insured level. To date, the Organization has not incurred any losses on these accounts.



**ONE BROOKLYN FUND, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**d. Restrictions of Net Assets**

Net assets of the Organization and changes therein are classified and reported as unrestricted or as temporarily restricted. Unrestricted net assets are not subject to donor-imposed stipulations and may be used at management's discretion. Temporarily restricted net assets have donor-imposed stipulations and must be used for a specific predefined purpose.

**e. Income Taxes**

The Organization is a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code. The year 2014 is still within the statute of limitations. The Organization is not subject to income taxes on income received for exempt purposes.

**NOTE 3. ACCOUNTS RECEIVABLE**

Accounts receivable reflects amounts for which the Organization has obtained an unconditional promise of contribution by the donor. The Organization's management anticipates receiving the full balance of the accounts receivable.

**NOTE 4. SERVICES AND PROGRAMS**

The Organization sponsors various programs and services throughout the community in the pursuit of its mission to enhance the lives of the residents of Brooklyn and promote the business environment of the borough. The Organization's programs and services consist of the following:

**a. Holiday Events**

The Organization sponsors various celebrations, concerts and other events throughout the Brooklyn community.

**b. Community Outreach**

The Organization sponsors various information campaigns to promote the health and welfare of the residents of Brooklyn. Initiatives include senior programs, youth outreach programs and health and wellbeing activities.\

**ONE BROOKLYN FUND, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**c. Tourism**

The Organization promotes the borough of Brooklyn as a tourist destination to visitors and residents.

**d. Borough Hall Events**

The Organization makes available to the public the unique amenities of the Brooklyn Borough Hall for meetings, theatrical projects, and film projects.

**NOTE 5. IN-KIND CONTRIBUTIONS**

The office of the Brooklyn Borough President has contributed office space and staffing for the administration of the Organization. Management has estimated the value of this contribution to be \$109,575 the period ended June 30, 2015.

**NOTE 6. OTHER SIGNIFICANT EVENTS**

The Organization has received \$118,899 of restricted funds to be used solely for the maintenance and upkeep of Brooklyn Borough Hall. These funds and revenues from rental and other fees associated with Borough hall are segregated in separate bank account.

The Organization has received merchandise related to its tourism programs valued at \$9,844. The merchandise consists primarily of clothing with the Brooklyn logo affixed.

**NOTE 7. SUBSEQUENT EVENTS**

As of February 7, 2016 there have been no other significant subsequent events that have occurred since the close of the Organization's tax year, June 30, 2015.