

**ONE BROOKLYN FUND, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIODS ENDED JUNE 30, 2016 AND 2015**

ONE BROOKLYN FUND, INC.

TABLE OF CONTENTS

JUNE 30, 2016

**Independent Auditors' Report**

**Statements of Financial Position**

June 30, 2016 and 2015

**Exhibit A**

**Statements of Activities and Net Assets**

For the Periods Ended June 30, 2016 and 2015

**Exhibit B**

**Statements of Functional Expenses**

For the Periods Ended June 30, 2016 and 2015

**Exhibit C**

**Statements of Cash Flows**

For the Periods Ended June 30, 2016 and 2015

**Exhibit D**

**Notes to Financial Statements**



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

WILLIAM KOLBERT, CPA  
JOEL A. QUIRK, CPA

MEMBERS OF AICPA AND NYSSCPA

LONG ISLAND  
200 Old Country Road, Suite 274  
Mineola, New York 11501  
516-739-9777 · Fax 516-739-7388  
Email – EDLLP@aol.com

### 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, 2016 and 2015 and the related statements of activities and cash flows for the periods 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, 2016 and 2015 and the changes in its net assets and its cash flows for the periods 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**  
**May 11, 2017**

**ONE BROOKLYN FUND, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**FOR THE PERIOD ENDED JUNE 30, 2016 AND 2015**

	<b>2016</b>	<b>2015</b>
<b><u>ASSETS</u></b>		
Current Assets		
Cash and Cash Equivalents	\$ 106,430	\$ 85,790
Cash and Cash Equivalents - Restricted	92,308	164,066
Total Cash and Cash Equivalents	198,738	249,856
Accounts Receivable - <b>Note 3</b>	-	2,500
Inventory - Tourism Merchandise	8,372	9,844
<b>Total Assets</b>	<b>\$ 207,110</b>	<b>\$ 262,200</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Current Liabilities		
Accounts Payable & Accrued Expenses	15,559	77,062
Total Current Liabilities	15,559	77,062
Net Assets		
Unrestricted	42,243	(11,428)
Temporarily Restricted - <b>Note 2</b>	57,000	32,500
Permanently Restricted - <b>Note 2</b>	92,308	164,066
Total Net Assets	191,551	185,138
<b>Total Liabilities and Net Assets</b>	<b>\$ 207,110</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, 2016 AND 2015**

	2016			2015
	Unrestricted	Restricted	Total	Total
<b>Revenue</b>				
Corporate Contributions	\$ 175,402		\$ 175,402	\$ 140,285
Contributions - In Kind - <b>Note 5</b>	100,500		100,500	109,575
Foundation Contributions	38,500	57,000	95,500	74,750
Government Grants	36,592		36,592	20,000
Individual & Business Contributions	84,309		84,309	-
Merchandise Contributions - In Kind - <b>Note 5</b>	-		-	9,844
Program Service Revenue:	-		-	
Initial Funding of Borough Hall Account	-		-	118,899
Program Service Revenue	67,754		67,754	57,815
Other Income	1,960		1,960	
Interest Income	51		51	19
Net Assets Released from Restriction	104,258	(104,258)	-	-
<b>Total Revenue</b>	<b>609,326</b>	<b>(47,258)</b>	<b>562,068</b>	<b>531,187</b>
<b>Expenses</b>				
Program Services - <b>Note 4</b>				
Borough Hall Events	91,530	-	91,530	74,757
Arts & Culture	117,211	-	117,211	84,072
Community Outreach	221,735	-	221,735	55,432
Holiday Events	71,269	-	71,269	
Tourism	7,449	-	7,449	115,366
<b>Total Program Services</b>	<b>509,194</b>	<b>-</b>	<b>509,194</b>	<b>329,627</b>
Supporting Services				
Administrative	46,461	-	46,461	16,422
<b>Total Supporting Services</b>	<b>46,461</b>	<b>-</b>	<b>46,461</b>	<b>16,422</b>
<b>Total Expenses</b>	<b>555,655</b>	<b>-</b>	<b>555,655</b>	<b>346,049</b>
<b>Change in Net Assets</b>	<b>\$ 53,671</b>	<b>\$ (47,258)</b>	<b>\$ 6,413</b>	<b>\$ 185,138</b>
<b>Net Assets - Beginning of Year</b>	<b>(11,428)</b>	<b>196,566</b>	<b>185,138</b>	<b>-</b>
<b>Net Assets - End of Year</b>	<b>\$ 42,243</b>	<b>\$ 149,308</b>	<b>\$ 191,551</b>	<b>\$ 185,138</b>
<b>Temporarily Restricted Net Assets</b>		<b>\$ 57,000</b>		
<b>Permanently Restricted Net Assets</b>		<b>92,308</b>		
<b>Total Restricted Net Assets</b>		<b>\$ 149,308</b>		

See Independent Auditors' Report.

The accompanying notes are an integral part of this statement.

**One Brooklyn Fund, Inc.**  
Statement of Functional Expense

For the Period Inception to June 30, 2015

	Administrative	Borough Hall Events	Arts & Culture	Community Outreach	Holiday Events	Tourism	TOTAL	Comparative 2015 Totals
	\$	\$	\$	\$	\$	\$	\$	\$
Advertising & Marketing	-	-	-	4,037	5,707	2,117	11,861	-
Auditing Fee	4,500	-	-	-	-	-	4,500	4,500
Building Representatives	-	9,395	-	-	-	-	9,395	7,460
Entertainment/Performances	-	-	21,883	13,650	22,654	-	58,187	5,950
Meals/Catering/Receptions	194	-	8,808	57,027	3,125	-	69,154	38,558
Outside Contract Services	160	53,920	31,648	59,240	500	5,000	150,468	121,518
Donated Administrative Services	6,000	-	-	-	-	-	6,000	6,000
Donated Personnel	20,625	12,375	16,503	22,685	10,312	-	82,500	91,575
Donated Facilities	12,000	-	-	-	-	-	12,000	12,000
Equip Rental and Maintenance	-	-	-	3,058	1,335	-	4,393	1,914
Facilities and Equipment - Other	-	15,810	369	105	-	-	16,284	843
Membership Dues	-	-	-	344	-	-	344	595
Postage, Mailing Service	-	-	-	655	-	-	655	45
Printing, Copying & Office	1,567	-	-	16,809	167	-	18,543	6,514
Supplies	-	-	-	932	-	-	932	4,405
Insurance - Liability, D and O	1,145	-	-	338	-	-	1,483	253
Other Costs	270	30	-	1,487	-	-	1,787	20
Other Program Expense	-	-	38,000	9,196	15,644	-	62,840	31,166
Travel and Meetings	-	-	-	3,132	11,825	332	15,289	12,733
Donations	-	-	-	29,040	-	-	29,040	-
<b>Total Expenses</b>	<b>\$ 46,461</b>	<b>\$ 91,530</b>	<b>\$ 117,211</b>	<b>\$ 221,735</b>	<b>\$ 71,269</b>	<b>\$ 7,449</b>	<b>\$ 555,655</b>	<b>\$ 346,049</b>

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

**ONE BROOKLYN FUND, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED JUNE 30, 2016 AND 2015**

	<u>2016</u>	<u>2015</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase in Net Assets	6,413	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	(2,500)
Decrease (Increase) in Inventory	1,472	(9,844)
Decrease (Increase) in Accounts Payable and	(61,503)	77,062
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>(51,118)</u>	<u>249,856</u>
<b>NET INCREASE IN CASH</b>	(51,118)	249,856
<b>CASH AND CASH EQUIVALENTS - Beginning of Period</b>	<u>249,856</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS - End of Period</b>	<u><u>\$ 198,738</u></u>	<u><u>\$ 249,856</u></u>
<b>Supplemental Information for Non-cash Activities:</b>		
In-Kind Non-cash Contributions	<u><u>\$ 100,500</u></u>	<u><u>\$ 119,419</u></u>

See Independent Auditors' Report.

The accompanying notes are an integral part of this statement.

ONE BROOKLYN FUND, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2016

**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, 2016

**d. Restrictions of Net Assets**

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

**e. Income Taxes**

The Organization is a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code. The years 2014 and 2015 are 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 for the enjoyment of residents and visitors.

**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 wellness activities.

**ONE BROOKLYN FUND, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2016**

**c. Tourism**

The Organization promotes Brooklyn's many attractions, including its vibrant music scene, museums, galleries, restaurants, diverse neighborhoods, shopping, hotels, parks and more, helping to strengthen the local economy, create jobs for Brooklynites and encourage civic pride.

**d. Arts & Culture**

The Organization celebrates the cultures of Brooklyn's diverse population, supporting philanthropic, artistic and cultural activities in Brooklyn's neighborhoods.

**e. 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 \$ 100,500 and \$109,575 for the periods ended June 30, 2016 and 2015, respectively.

**NOTE 6. OTHER SIGNIFICANT EVENTS**

In 2015 the Organization received \$118,899 of restricted funds to be used solely for the maintenance and upkeep of Brooklyn Borough Hall. These restricted funds and revenues from rental and other fees associated with Borough hall are segregated in separate bank account.

In 2015 the Organization 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 May 11, 2017 there have been no other significant subsequent events that have occurred since the close of the Organization's tax year, June 30, 2016.