

**New Yorkers for Parks, Inc.**

Financial Statements

June 30, 2015

## Independent Auditors' Report

### **The Board of Directors New Yorkers for Parks, Inc.**

We have audited the accompanying financial statements of New Yorkers for Parks, Inc. which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the six months 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.

#### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditors' 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 New Yorkers for Parks, Inc. as of June 30, 2015 and the changes in its net assets and its cash flows for the six months then ended in conformity with accounting principles generally accepted in the United States of America.

*PKF O'Connor Davies, LLP*

December 17, 2015  
(Except for Note 2, as to which the date is July 19, 2016)

**New Yorkers for Parks, Inc.**

Statement of Financial Position  
June 30, 2015

**ASSETS**

Cash and cash equivalents	\$ 330,605
Grants and pledges receivable	247,200
Prepaid expenses and deposits	20,563
Board designated endowment investments	833,100
Leasehold improvements and equipment, net	<u>28,602</u>
	<u>\$1,460,070</u>

**LIABILITIES AND NET ASSETS**

Liabilities

Accounts payable and accrued expenses	\$ 11,802
Deferred rent	<u>22,703</u>
Total Liabilities	<u>34,505</u>

Net Assets

Unrestricted	
Undesignated	354,965
Board designated	<u>833,100</u>
Total Unrestricted Net Assets	1,188,065
Temporarily restricted	<u>237,500</u>
Total Net Assets	<u>1,425,565</u>
	<u>\$1,460,070</u>

See notes to financial statements

## New Yorkers for Parks, Inc.

### Statement of Activities Six Months Ended June 30, 2015

	Unrestricted	Temporarily Restricted	Total
<b>OPERATING SUPPORT AND REVENUE</b>			
Contributions	\$ 122,832	\$ 90,000	\$ 212,832
In-kind contributions	<u>2,673</u>	<u>-</u>	<u>2,673</u>
Total Contributions	125,505	90,000	215,505
Special events, net of direct costs of \$21,492	66,068	117,500	183,568
Other revenue	5,254	-	5,254
Net assets released from restriction	<u>217,466</u>	<u>(217,466)</u>	<u>-</u>
Total Operating Support and Revenue	<u>414,293</u>	<u>(9,966)</u>	<u>404,327</u>
<b>OPERATING EXPENSES</b>			
Program Services			
Advocacy	51,873	-	51,873
Research	146,665	-	146,665
Daffodil Project	37,734	-	37,734
Outreach and communication	36,497	-	36,497
Public information and communication	<u>75,210</u>	<u>-</u>	<u>75,210</u>
Total Program Services	<u>347,979</u>	<u>-</u>	<u>347,979</u>
Supporting Services			
Management and general	117,010	-	117,010
Fundraising	<u>73,263</u>	<u>-</u>	<u>73,263</u>
Total Supporting Services	<u>190,273</u>	<u>-</u>	<u>190,273</u>
Total Operating Expenses	<u>538,252</u>	<u>-</u>	<u>538,252</u>
(Deficiency) of Operating Support and Revenue Over Operating Expenses	(123,959)	(9,966)	(133,925)
<b>NON-OPERATING REVENUE</b>			
Investment income from board designated endowment fund, net of investment expenses	<u>3,107</u>	<u>-</u>	<u>3,107</u>
Change in Net Assets	(120,852)	(9,966)	(130,818)
<b>NET ASSETS</b>			
Beginning of year	<u>1,308,917</u>	<u>247,466</u>	<u>1,556,383</u>
End of year	<u>\$ 1,188,065</u>	<u>\$ 237,500</u>	<u>\$ 1,425,565</u>

See notes to financial statements

## New Yorkers for Parks, Inc.

### Statement of Functional Expenses Six Months Ended June 30, 2015

	Program Services					Supporting Services					Total
	Advocacy	Research	Daffodil Project	Outreach and Communication	Public Information and Communication	Total	Management and General	Fundraising	Special Events	Total	
<b>SALARIES AND RELATED EXPENSES</b>											
Salaries	\$ 32,317	\$ 86,054	\$ 21,932	\$ 22,874	\$ 42,577	\$ 205,754	\$ 70,401	\$ 42,847	\$ -	\$ 113,248	\$ 319,002
Payroll taxes and employee benefits	8,705	21,826	5,857	6,192	11,614	54,194	19,743	10,668	-	30,411	84,605
Total Salaries and Related Expenses	41,022	107,880	27,789	29,066	54,191	259,948	90,144	53,515	-	143,659	403,607
<b>OTHER EXPENSES</b>											
Consultants	982	9,087	1,238	692	3,046	15,045	2,124	2,475	8,462	13,061	28,106
Liability insurance	592	1,546	388	416	764	3,706	1,274	774	-	2,048	5,754
Professional fees	2,117	4,658	1,008	1,400	2,282	11,465	6,761	2,446	-	9,207	20,672
Administration	110	436	66	76	135	823	922	1,329	-	2,251	3,074
Occupancy	4,556	12,007	3,037	3,214	5,939	28,753	10,000	5,998	-	15,998	44,751
Meetings and events	-	4,321	-	-	2,632	6,953	-	-	12,683	12,683	19,636
Equipment rental	816	2,160	548	576	1,069	5,169	1,770	1,077	-	2,847	8,016
Equipment purchases	130	578	1,488	95	2,960	5,251	300	1,570	-	1,870	7,121
Office supplies and expenses	280	791	173	176	601	2,021	555	528	9	1,092	3,113
Telephone	438	1,119	276	306	552	2,691	929	563	-	1,492	4,183
Transportation	17	466	173	59	-	715	109	5	-	114	829
Postage	33	54	16	13	27	143	41	26	338	405	548
Printing	-	-	-	-	265	265	-	265	-	265	530
Advertising	-	50	-	-	-	50	835	-	-	835	885
Park materials and supplies	-	-	746	-	-	746	-	-	-	-	746
Bad debt expense	-	-	-	-	-	-	-	250	-	250	250
Miscellaneous	259	129	436	39	63	926	114	1,755	-	1,869	2,795
Total Expenses and Direct Cost of Special Events Before Depreciation and Amortization	51,352	145,282	37,382	36,128	74,526	344,670	115,878	72,576	21,492	209,946	554,616
Depreciation and amortization	521	1,383	352	369	684	3,309	1,132	687	-	1,819	5,128
Total Expenses and Direct Cost of Special Events Less direct cost of special events	51,873	146,665	37,734	36,497	75,210	347,979	117,010	73,263	21,492	211,765	559,744
	-	-	-	-	-	-	-	-	(21,492)	(21,492)	(21,492)
Total Expenses	<u>\$ 51,873</u>	<u>\$ 146,665</u>	<u>\$ 37,734</u>	<u>\$ 36,497</u>	<u>\$ 75,210</u>	<u>\$ 347,979</u>	<u>\$ 117,010</u>	<u>\$ 73,263</u>	<u>\$ -</u>	<u>\$ 190,273</u>	<u>\$ 538,252</u>

See notes to financial statements

**New Yorkers for Parks, Inc.**

Statement of Cash Flows  
Six Months Ended June 30, 2015

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ (130,818)
Adjustments to reconcile change in net assets to net cash from operating activities	
Depreciation and amortization	5,128
Unrealized appreciation of investments	(2,293)
Amortization of deferred rent	372
Changes in operating assets and liabilities	
Grants and pledges receivable	(59,325)
Prepaid expenses and deposits	5,303
Accounts payable and accrued expenses	<u>(9,609)</u>
Net Cash From Operating Activities	<u>(191,242)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Investments purchased for board designated endowment fund	(7,765)
Change in short term investments	6,951
Purchase of equipment	<u>(850)</u>
Net Cash From Investing Activities	<u>(1,664)</u>
Net Change in Cash and Cash Equivalents	(192,906)

**CASH AND CASH EQUIVALENTS**

Beginning of year	<u>523,511</u>
End of year	<u>\$ 330,605</u>

See notes to financial statements

## **New Yorkers for Parks, Inc.**

Notes to Financial Statements  
June 30, 2015

### **1. Organization and Tax Status**

New Yorkers for Parks, Inc. (NY4P), a non-profit corporation organized in New York, has built, protected and promoted parks and open spaces in New York City for over 100 years. Today, NY4P is the citywide independent organization championing quality parks and open spaces for all New Yorkers in all neighborhoods. NY4P achieves this mission through an integrated approach of research, advocacy and strategic partnerships.

NY4P conducts research and develops tangible policy recommendations around its findings related to park development, management and sustainability. Using this research as a foundation for its advocacy campaigns, public outreach and communication efforts, NY4P promotes adequate and equitable distribution of resources throughout the city's park system, and transparency and public participation in policy and budget decisions.

NY4P is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") and has been determined to be a publicly supported organization, not a private foundation under Section 509(a) of the Code.

### **2. Business Operations**

On October 1, 2014, NY4P amended its by-laws to include a change in the corporation's operating year end to June 30th. The Board of Directors approved the change to be effective as of July 1, 2015. As a result, the accompanying statement of activities, functional expenses and cash flows include only six months of activity. Historically NY4P has held its annual gala in October. The 2015 annual Gala was held subsequent to the new June 30, 2015 fiscal year end and accordingly the revenue and related expenses from the special event are not included in the accompanying statement of activities. The activity from the 2015 annual gala will be reported in the June 30, 2016 financial statements.

### **3. Summary of Significant Accounting Policies**

#### ***Basis of Presentation***

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### ***Use of Estimates***

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### ***Operating Measure***

NY4P includes in its operating measure revenue, support and expenses for activities associated with its mission. Investment income and expenses and contributions for non-programmatic activities are classified as non-operating.

#### ***Cash and Cash Equivalents***

Cash and cash equivalents consist principally of demand deposit and money market accounts with maturities of three months or less at the time of purchase.

## **New Yorkers for Parks, Inc.**

Notes to Financial Statements  
June 30, 2015

### **3. Summary of Significant Accounting Policies (continued)**

#### ***Fair Value Measurements***

NY4P follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

#### ***Investments Valuation and Investment Income Recognition***

Investments are carried at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

#### ***Leasehold Improvements and Equipment***

Furniture, equipment and leasehold improvements are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets which range from 3 to 15 years. Leasehold improvements are amortized over the shorter of the term of the lease, inclusive of all renewal periods which are reasonably assured, or the estimated useful life of the asset. Furniture, equipment and leasehold improvements with a cost of \$500 or higher are capitalized.

#### ***Deferred Rent***

Deferred rent represents the excess of rent expense on a straight-line basis over the annual rent payments required under the lease.

#### ***Net Asset Presentation***

The financial statements are prepared in conformity with U.S. GAAP for not-for-profit organizations, which require NY4P to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted based on the existence or absence of donor-imposed restrictions.

#### ***Contributions***

Contributions are recorded when received or when an unconditional promise to give is made. Conditional promises to give are recorded when substantially all conditions have been met. All donor-restricted contributions are recorded as temporarily or permanently restricted revenue. Permanently restricted donations are restricted by donors to be maintained in perpetuity, with only the income from such net assets available for operations. Temporary donor restrictions expire by either the passage of time or fulfillment of the purpose restriction. When a restriction expires, temporarily restricted contributions are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.



## **New Yorkers for Parks, Inc.**

Notes to Financial Statements  
June 30, 2015

### **3. Summary of Significant Accounting Policies (*continued*)**

#### ***Government Grants***

Federal, state and other grant awards received for specific purposes are recognized as support and revenue to the extent related expenses are incurred in compliance with the specific grant terms. Unexpended funds are reported as temporarily restricted net assets.

#### ***Donated Services***

NY4P receives donated services from various vendors. The services are recorded at their fair value based on purchase cost to NY4P. These amounts have been reflected as support and expenses in the statement of activities. Donated services rendered by volunteers are not recorded as support and expenses because they do not meet the criteria for recognition.

#### ***Allocation of Expenses***

The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management either in accordance with grant provisions or by another equitable basis.

#### ***Accounting for Uncertainty in Income Taxes***

NY4P recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that NY4P had no uncertain tax positions that would require financial statement recognition or disclosure. NY4P is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to December 31, 2011.

#### ***Subsequent Events Evaluation by Management***

For the originally issued financial statements, management evaluated subsequent events for disclosure and/or recognition in the financial statements through December 17, 2015, the date which the originally issued financial statements were issued. For the reissued financial statements, management evaluated subsequent events through July 19, 2016, the date which the reissued financial statements were issued.

### **4. Concentration of Credit Risk**

NY4P maintains cash and cash equivalent balances with large, commercial banking institutions with limited insurance provided by the Federal Deposit Insurance Corporation (FDIC). At times cash balances may be in excess of federally insured limits. NY4P has not experienced any losses in such accounts.

Concentrations of credit risk with respect to receivables are generally minimized due to the number of entities and individuals composing NY4P's program and donor base.

The investment portfolio is diversified by type of investments and industry concentrations so that no individual investment or group of investments represents a significant concentration of market risk.

## New Yorkers for Parks, Inc.

Notes to Financial Statements  
June 30, 2015

### 5. Grants and Pledges Receivable

All grants and pledges receivable at June 30, 2015 are due within one year. NY4P considers all grants and pledges receivable as of June 30, 2015 to be fully collectible within 2016. Accordingly, there is no allowance for doubtful accounts.

### 6. Investments and Board Designated Endowment Funds

The board designated endowment fund (the "Fund") was established to provide long-term support for the operations of NY4P. The investment objectives of the Fund are to provide a stable source of current income and to earn long-term returns in excess of inflation and expenditures so as to enhance the purchasing power of the Fund. The investment of the Fund's assets is guided by the following principles: (1) investments consistent with a long-term investment horizon and sound investment principles, (2) investments maintained in marketable securities and (3) investments that yield both capital appreciation and current income. NY4P targets a diversified asset allocation to achieve its long-term objectives within prudent risk constraints. Until such time as the Fund reaches its targeted size, investment returns are reinvested in the Fund and not available for expenditure.

As of and for the six months ended June 30, 2015 all of the NY4P's investments, bought, sold and held were Level 1 inputs for fair value. The Fund consists of the following investments at June 30, 2015:

Money fund	\$ 17,395
Exchange traded funds equities	457,174
Exchange traded funds fixed income	191,136
Equities	76,976
Mutual funds	90,419
	<u>\$ 833,100</u>

The investment activity in the Fund was as follows:

Balance, January 1, 2015	\$ 829,993
Investment income, net	814
Unrealized gains	2,293
Balance, June 30, 2015	<u>\$ 833,100</u>

Investment income consisted of the following:

Dividends	\$ 6,303
Realized and unrealized gains	2,293
Investment expenses	(5,489)
	<u>\$ 3,107</u>

## New Yorkers for Parks, Inc.

Notes to Financial Statements  
June 30, 2015

### 7. Leasehold Improvements and Equipment

At June 30, 2015 furniture, equipment and leasehold improvements consist of the following:

Furniture and equipment	\$ 80,010
Leasehold improvements	<u>12,750</u>
	92,760
Accumulated depreciation and amortization	<u>(64,158)</u>
	<u>\$ 28,602</u>

### 8. Line of Credit

At June 30, 2015 NY4P had an available line of credit of \$100,000 with no outstanding borrowings. The line of credit is secured by the assets held with that investment manager. Any borrowings are subject to monthly interest at the lenders prime rate plus 0.75 percentage points.

### 9. Retirement Plans

NY4P has a simplified individual employee defined contribution retirement plan for eligible employees who have met plan requirements. Plan expense was \$8,944 for the six months ended June 30, 2015.

### 10. Commitments

NY4P's office lease expires in January 2021. The lease includes rent increases for certain cost escalations. Future minimum rental payments under the lease for each of the next five years and thereafter are as follows:

2016	\$ 68,550
2017	71,406
2018	74,834
2019	75,405
2020	78,547
Thereafter	<u>40,844</u>
	<u>\$ 409,586</u>

NY4P's operating lease contains provisions for scheduled increases in minimum rent and, as such, recognizes rent on a straight-line basis over the term of the lease. The excess amount recognized over the amount contractually due is reflected as deferred rent on the statement of financial position. Deferred rent was \$22,703 as of June 30, 2015.

Rent expense for the six months ended June 30, 2015, including NY4P's prorated share of certain operating expenses, as defined in the lease, was \$44,751.

**New Yorkers for Parks, Inc.**

Notes to Financial Statements  
June 30, 2015

**11. Donated Services**

NY4P received donated legal services totaling \$2,673 for the six months ended June 30, 2015. The legal services donated were primarily to support corporate governance document updates in connection with the New York State Non-Profit Revitalization Act requirements, and therefore, considered management and general expenses.

**12. Temporarily Restricted Net Assets**

Temporarily restricted net assets as of June 30, 2015, are available for the following:

<b><i>Purpose</i></b>	
Research	\$107,500
Website and technology upgrading	5,000
Special events	<u>125,000</u>
Total Purpose Restricted	<u>\$237,500</u>

Temporarily restricted net assets were released from restriction for the six months ended June 30, 2015, as follows:

<b><i>Purpose</i></b>	
Research	\$ 62,100
Daffodil Project	35,000
Community outreach	<u>3,750</u>
Total Purpose Restricted	100,850

  

<b><i>Time Restricted</i></b>	
General operating grants	106,366
Special events	<u>10,250</u>
Total	<u>\$217,466</u>

NY4P conducts research and develops tangible policy recommendations around its findings related to park development, management and sustainability.

NY4P's outreach and public information efforts help to empower park advocates citywide. Through dissemination of research and planning reports, as well as advocacy platforms, NY4P provides the data and context needed for the community and other stakeholders to work most effectively on behalf of the city's parks and open spaces.

The Daffodil Project is the largest volunteer planting initiative in the city's history. Approximately 5.4 million free daffodil bulbs have been distributed by NY4P since 2001 and planted by volunteers in public parks and open spaces citywide.

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