

New Yorkers for Parks, Inc.

Financial Statements

June 30, 2016

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, 2016, and the related 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 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, 2016 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

PKF O'Connor Davies, LLP

December 9, 2016

New Yorkers for Parks, Inc.

Statement of Financial Position
June 30, 2016

ASSETS

Cash and cash equivalents	\$ 394,767
Grants and pledges receivable	59,861
Prepaid expenses and deposits	24,938
Board designated endowment investments	848,864
Leasehold improvements and equipment, net	<u>24,137</u>
	<u>\$1,352,567</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable and accrued expenses	\$ 5,379
Deferred rent	<u>23,445</u>
Total Liabilities	<u>28,824</u>
Net Assets	
Unrestricted	
Undesignated	237,117
Board designated	<u>848,864</u>
Total Unrestricted Net Assets	1,085,981
Temporarily restricted	<u>237,762</u>
Total Net Assets	<u>1,323,743</u>
	<u>\$1,352,567</u>

See notes to financial statements

New Yorkers for Parks, Inc.

Statement of Activities Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Total
OPERATING SUPPORT AND REVENUE			
Contributions	\$ 322,521	\$ 268,889	\$ 591,410
In-kind contributions	<u>3,308</u>	<u>-</u>	<u>3,308</u>
Total Contributions	325,829	268,889	594,718
Special events, net of direct costs of \$111,488	317,287	70,000	387,287
Other revenue	1,796	1,700	3,496
Net assets released from restriction	<u>340,327</u>	<u>(340,327)</u>	<u>-</u>
Total Operating Support and Revenue	<u>985,239</u>	<u>262</u>	<u>985,501</u>
OPERATING EXPENSES			
Program Services			
Advocacy	67,047	-	67,047
Research and planning	307,164	-	307,164
Community outreach	93,337	-	93,337
Daffodil Project	122,634	-	122,634
Public information and communication	<u>127,203</u>	<u>-</u>	<u>127,203</u>
Total Program Services	<u>717,385</u>	<u>-</u>	<u>717,385</u>
Supporting Services			
Management and general	240,073	-	240,073
Fundraising	<u>145,629</u>	<u>-</u>	<u>145,629</u>
Total Supporting Services	<u>385,702</u>	<u>-</u>	<u>385,702</u>
Total Operating Expenses	<u>1,103,087</u>	<u>-</u>	<u>1,103,087</u>
(Deficiency) Surplus of Operating Support and Revenue Over Operating Expenses	(117,848)	262	(117,586)
NON-OPERATING REVENUE			
Investment income from board designated endowment fund, net of investment expenses	<u>15,764</u>	<u>-</u>	<u>15,764</u>
Change in Net Assets	(102,084)	262	(101,822)
NET ASSETS			
Beginning of year	<u>1,188,065</u>	<u>237,500</u>	<u>1,425,565</u>
End of year	<u>\$ 1,085,981</u>	<u>\$ 237,762</u>	<u>\$ 1,323,743</u>

See notes to financial statements

New Yorkers for Parks, Inc.

Statement of Functional Expenses Year Ended June 30, 2016

	Program Services					Supporting Services					Total
	Advocacy	Research and Planning	Community Outreach	Daffodil Project	Public Information and Communication	Total	Management and General	Fundraising	Special Events	Total	
SALARIES AND RELATED EXPENSES											
Salaries	\$ 42,970	\$ 188,361	\$ 58,181	\$ 48,066	\$ 76,419	\$ 413,997	\$ 130,471	\$ 87,574	\$ -	\$218,045	\$ 632,042
Payroll taxes and employee benefits	11,093	44,157	15,719	12,633	18,931	102,533	31,421	14,255	-	45,676	148,209
Total Salaries and Related Expenses	<u>54,063</u>	<u>232,518</u>	<u>73,900</u>	<u>60,699</u>	<u>95,350</u>	<u>516,530</u>	<u>161,892</u>	<u>101,829</u>	<u>-</u>	<u>263,721</u>	<u>780,251</u>
OTHER EXPENSES											
Consultants	1,447	10,291	1,949	2,447	4,618	20,752	37,474	3,754	5,450	46,678	67,430
Liability insurance	761	3,304	1,043	845	1,355	7,308	1,005	1,538	-	2,543	9,851
Professional fees	1,052	5,578	1,910	1,452	2,680	12,672	6,469	2,167	-	8,636	21,308
Administration	127	551	175	136	370	1,359	3,444	3,182	-	6,626	7,985
Occupancy	5,995	26,414	8,167	7,025	10,755	58,356	18,341	12,199	-	30,540	88,896
Meetings and events	610	35	2,023	17	-	2,685	675	-	104,363	105,038	107,723
Equipment rental	1,085	4,762	1,490	1,221	1,955	10,513	3,309	2,210	-	5,519	16,032
Equipment purchases	123	695	166	2,931	5,814	9,729	339	5,038	-	5,377	15,106
Office supplies and expenses	385	1,778	502	617	1,580	4,862	1,222	1,401	29	2,652	7,514
Telephone	469	2,055	644	527	843	4,538	1,427	955	-	2,382	6,920
Transportation	30	1,707	221	1,556	-	3,514	74	-	45	119	3,633
Postage	75	524	71	61	87	818	202	417	1,175	1,794	2,612
Printing	-	8,450	-	-	-	8,450	-	-	-	-	8,450
Advertising	-	25	-	50	484	559	630	-	-	630	1,189
Park materials and supplies	-	-	-	41,474	-	41,474	-	-	-	-	41,474
Miscellaneous	140	5,452	136	796	75	6,599	1,470	9,528	426	11,424	18,023
Total Expenses and Direct Cost of Special Events Before Depreciation and Amortization	66,362	304,139	92,397	121,854	125,966	710,718	237,973	144,218	111,488	493,679	1,204,397
Depreciation and amortization	685	3,025	940	780	1,237	6,667	2,100	1,411	-	3,511	10,178
Total Expenses and Direct Cost of Special Events	67,047	307,164	93,337	122,634	127,203	717,385	240,073	145,629	111,488	497,190	1,214,575
Less direct cost of special events	-	-	-	-	-	-	-	-	(111,488)	(111,488)	(111,488)
Total Expenses	<u>\$ 67,047</u>	<u>\$ 307,164</u>	<u>\$ 93,337</u>	<u>\$122,634</u>	<u>\$ 127,203</u>	<u>\$ 717,385</u>	<u>\$ 240,073</u>	<u>\$ 145,629</u>	<u>\$ -</u>	<u>\$385,702</u>	<u>\$ 1,103,087</u>

See notes to financial statements

New Yorkers for Parks, Inc.

Statement of Cash Flows
Year Ended June 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (101,822)
Adjustments to reconcile change in net assets to net cash from operating activities	
Depreciation and amortization	10,178
Unrealized depreciation of investments	25,430
Deferred rent	742
Changes in operating assets and liabilities	
Grants and pledges receivable	187,339
Prepaid expenses and deposits	(4,375)
Accounts payable and accrued expenses	<u>(6,423)</u>
Net Cash From Operating Activities	<u>111,069</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investments purchased for board designated endowment fund	(185,906)
Investments sold for board designated endowment fund	156,161
Change in short term investments	(11,449)
Purchase of equipment	<u>(5,713)</u>
Net Cash From Investing Activities	<u>(46,907)</u>
Net Change in Cash and Cash Equivalents	64,162

CASH AND CASH EQUIVALENTS

Beginning of year	<u>330,605</u>
End of year	<u>\$ 394,767</u>

See notes to financial statements

New Yorkers for Parks, Inc.

Notes to Financial Statements
June 30, 2016

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 June 30, 2015 financial statements reported six months of activity on the related statement of activities, functional expenses and cash flows. The June 30, 2016 financial statements, representing the first full year of the restated NY4P fiscal year, contain a full 12 months of activity on the accompanying statement of activities, functional expenses and cash flows. Management opted to present a single year financial statement for fiscal year June 30, 2016 and intends to present comparative financial statements beginning with the June 30, 2017 year end.

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, 2016

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

Leasehold improvements and equipment 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. Leasehold improvements and equipment 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. Unrestricted amounts are those currently available at the discretion of NY4P for use in its programs and operations. Temporarily restricted amounts are those which are subject to donor-imposed restrictions that will be met either by actions of NY4P or the passage of time. Permanently restricted amounts are those subject to donor-imposed restrictions that they be maintained permanently by NY4P. All contributions are considered available for unrestricted use unless specifically restricted by the donor or subject to other legal restrictions.

New Yorkers for Parks, Inc.

Notes to Financial Statements
June 30, 2016

3. Summary of Significant Accounting Policies (continued)

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.

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

Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values when received.

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 2013.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statement were available to be issued, which date is December 9, 2016.

New Yorkers for Parks, Inc.

Notes to Financial Statements
June 30, 2016

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.

5. Grants and Pledges Receivable

All grants and pledges receivable at June 30, 2016 are due within one year. NY4P considers all grants and pledges receivable as of June 30, 2016 to be fully collectible within 2017. 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 year ended June 30, 2016 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, 2016:

Money fund	\$ 28,844
Exchange traded funds equities	398,727
Exchange traded funds fixed income	198,252
Equities	134,244
Mutual funds	88,797
	<u>\$ 848,864</u>

New Yorkers for Parks, Inc.

Notes to Financial Statements
June 30, 2016

6. Investments and Board Designated Endowment Funds *(continued)*

The investment activity in the Fund was as follows:

Balance, June 30, 2015	\$ 833,100
Investment income, net	8,646
Realized gains	32,548
Unrealized losses	<u>(25,430)</u>
Balance, June 30, 2016	<u>\$ 848,864</u>

Investment income consisted of the following:

Dividends	19,972
Realized and unrealized gains	7,118
Investment expenses	<u>(11,326)</u>
	<u>\$ 15,764</u>

7. Leasehold Improvements and Equipment

At June 30, 2016 furniture, equipment and leasehold improvements consist of the following:

Furniture and equipment	\$ 80,062
Leasehold improvements	<u>3,225</u>
	83,287
Accumulated depreciation and amortization	<u>(59,150)</u>
	<u>\$ 24,137</u>

8. Line of Credit

As of and for the year ended June 30, 2016 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 an 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 \$16,433 for the year ended June 30, 2016.

New Yorkers for Parks, Inc.

Notes to Financial Statements
June 30, 2016

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 are as follows:

2017	\$ 70,835
2018	75,405
2019	75,405
2020	73,310
2021	<u>46,081</u>
	<u>\$ 341,036</u>

NY4P's operating lease contains provisions for scheduled increases in minimum rent and, as such, NY4P 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 \$23,445 as of June 30, 2016.

Rent expense for the year ended June 30, 2016, including NY4P's prorated share of certain operating expenses, as defined in the lease, was \$88,896.

11. Donated Services

NY4P received donated legal services totaling \$3,308 and donated services related to and recorded in special events totaling \$28,500 for the year ended June 30, 2016.

12. Temporarily Restricted Net Assets

Temporarily restricted net assets as of June 30, 2016, are available for the following:

Purpose

Special events \$ 70,000

Time Restricted

General operating grants 50,000

Special board projects 117,762

Total Time Restricted 167,762

Total \$ 237,762

New Yorkers for Parks, Inc.

Notes to Financial Statements
June 30, 2016

12. Temporarily Restricted Net Assets (continued)

Temporarily restricted net assets were released from restriction for the year ended June 30, 2016, as follows:

Purpose	
Research and planning	\$ 141,389
Daffodil Project	35,000
Website and technology upgrading	5,000
Special board projects	<u>33,938</u>
Total Purpose Restricted	215,327
Time Restricted	
Special events	<u>125,000</u>
Total	<u>\$ 340,327</u>

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

The Daffodil Project is the largest volunteer planting initiative in the city's history. Approximately 6 million free daffodil bulbs have been distributed by NY4P since 2001 and planted by volunteers in public parks and open spaces citywide.

The Special Board Fund covers capacity building and other costs at the Board's discretion.

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