

**BROOKLYN COMMUNITY  
PRIDE CENTER, INC.**

*Financial Statements  
For the year ended June 30, 2016*

# BROOKLYN COMMUNITY PRIDE CENTER, INC.

## TABLE OF CONTENTS JUNE 30, 2016

---

	<b>Page</b>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 10

**DelValle & Frias CPA's PLLC**  
Certified Public Accountants  
167 Havemeyer Street, Store level  
Brooklyn, New York 11211  
(718) 387-2150

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Brooklyn Community Pride Center, Inc.

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying statements of financial position of Brooklyn Community Pride Center, Inc. (the "Organization") as of June 30, 2016, and the related statements of activities, statement of functional expenses, and cash flows and the related notes to the financial statements for the year then ended.

### **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 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 of material misstatements.

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 opinion.

## OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Brooklyn Community Pride Center, Inc. as of June 30, 2016, and the results of its activities and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script, reading "Elho Del Valle".

Brooklyn, New York  
February 4, 2017

# BROOKLYN COMMUNITY PRIDE CENTER INC

## STATEMENT OF FINANCIAL POSITION JUNE 30, 2016

---

### ASSETS

Current Assets:

Cash (Note B)	\$	77,878
Grant receivables (Note C)		10,903
Account receivable		30,067
Prepaid expense		<u>3,496</u>
Total Current Assets		122,344

Other Assets:

Security deposit receivable		2,592
-----------------------------	--	-------

Net property and equipment (Note D)

		<u>1,585</u>
Total Assets	\$	<u><u>126,521</u></u>

### LIABILITIES AND NET ASSETS

Current liabilities:

Account payable	\$	4,198
Accrued expenses		<u>6,075</u>
Total Current liabilities		10,273

Net Assets:

Unrestricted Net Assets		106,248
Temporarily Restricted Net Assets		<u>10,000</u>
Total Net Assets		<u>116,248</u>
Total Liabilities and Net Assets	\$	<u><u>126,521</u></u>

*The accompanying notes are an integral part of the financial statements.*



# BROOKLYN COMMUNITY PRIDE CENTER INC

## STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and Revenues:</b>			
Foundation & Trust grants	\$ 103,176	\$ -	\$ 103,176
Contributions and Sponsorships	79,195	-	79,195
In-Kind support	120,728	-	120,728
Special event income	37,065	-	37,065
Government grants	83,881	-	83,881
Other income	15,229	-	15,229
Releases from restrictions	<u>15,764</u>	<u>(15,764)</u>	<u>-</u>
Total Support and Revenues	\$ 455,038	\$ (15,764)	\$ 439,274
<b>Expenses:</b>			
Program expenses	289,194	-	289,194
Fundraising expenses	71,211	-	71,211
Management and General	<u>120,195</u>	<u>-</u>	<u>120,195</u>
Total expenses	<u>480,600</u>	<u>-</u>	<u>480,600</u>
Change in net assets	(25,562)	(15,764)	(41,326)
Net assets unrestricted, at beginning of year	132,874	25,764	158,638
Prior year adjustment	<u>(1,064)</u>	<u>-</u>	<u>(1,064)</u>
Net assets unrestricted, at end of year	<u>\$ 106,248</u>	<u>\$ 10,000</u>	<u>\$ 116,248</u>

*The accompanying notes are an integral part of the financial statements.*

## BROOKLYN COMMUNITY PRIDE CENTER

### STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2016

	<u>Total</u>	<u>Program Expenses</u>	<u>Fundraising Expenses</u>	<u>Supporting Services Management and General</u>
Accounting - Audit fees	\$ 6,075	\$ 1,000	\$ -	\$ 5,075
Accounting -Bookkeeping	20,465	5,116	-	15,349
Advertising & Promotions	4,749	3,660	1,089	-
Conferences & Meeting	250	-	250	-
Consulting Fees - In-Kind	49,900	29,940	14,970	4,990
Consulting & Professional fees	15,732	8,181	7,551	-
Bank charges	127	127	-	-
Data & Payroll processing fees	6,144	2,556	2,958	630
Depreciation expense	1,052	-	-	1,052
Employee benefit	3,303	3,303	-	-
Equipment rental	4,771	2,071	2,700	-
Filing. fees	447	447	-	-
Insurance	3,599	2,522	433	644
Legal fees - In-Kind	45,305	-	-	45,305
Maintenance & Renovation	1,220	1,220	-	-
Meals & Entertainments	15,206	2,905	12,301	-
Memberships & Subscriptions	1,834	619	-	1,215
Miscellaneous	5,501	3,000	2,501	-
Rent	31,316	12,545	3,544	15,227
Payroll taxes & Fringe benefit	16,039	13,312	-	2,727
Postage & Messenger	1,377	468	909	-
Printing & Photocopying	3,402	613	2,729	60
Salary & Wages	185,037	163,716	-	21,321
Equipment & Furniture-In-Kind	25,458	24,933	-	525
Special event expense	18,997	-	18,997	-
Supplies & Office supplies	2,797	1,374	200	1,223
Staff & Board training	736	736	-	-
Travel	2,070	1,991	79	-
Utilities & Telephone	6,834	1,982	-	4,852
Workers' Comp. & Disability	857	857	-	-
Total expenses	<u>\$ 480,600</u>	<u>\$ 289,194</u>	<u>\$ 71,211</u>	<u>\$ 120,195</u>

*The accompanying notes are an integral part of the financial statements.*

# BROOKLYN COMMUNITY PRIDE CENTER INC

## STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2016

---

### Cash flows from operating activities:

Change in net assets	\$	(41,326)
Depreciation expense		1,052
Adjustment to reconcile change in net assets to net cash used by operating activities:		(1,064)
Decrease in grant receivable		82,924
Increase in account receivable		(11,045)
Decrease in prepaid expense		475
Decrease in security deposit		1,987
Increase in account payable		4,198
Decrease in loan and exchange		(517)
Decrease in accrued expense		<u>(7,136)</u>
Net cash provided by operating activities		<u>29,548</u>

### Cash flows from investing activities:

Increase in fixed assets		<u>(1,414)</u>
Net cash used by investing activities		(1,414)

Net increase in cash and cash equivalents 28,134

Cash and cash equivalents at beginning of year 49,744

Cash and cash equivalents at end of year \$ 77,878

No Supplemental Disclosure of Cash Flows Information

*The accompanying notes are an integral part of the financial statements.*



# BROOKLYN COMMUNITY PRIDE CENTER, INC.

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

---

### NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Brooklyn Community Pride Center, Inc. (BCPC) was organized as a not-for-profit corporation pursuant to the provisions of the Not-For-Profit Corporation Law of the State of New York. The purpose of the Brooklyn Community Pride Center, Inc. is to create, form, and establish a community center for the benefit of the lesbian, gay, bisexual and transgender community and any other interested individuals.

Incorporated in 2008, and granted 501(c)(3) status in 2009, the BCPC operated out of Brooklyn Borough Hall beginning in September 2009. In June 2013, the Organization moved to an interim location on 4 Metrotech, Ground Floor, Brooklyn, New York. This allows BCPC to bring more comprehensive and essential social service delivery and community-building partnerships to Brooklyn's LGBTQ citizens. Special emphasis has been placed on issues concerning youth, transgendered individuals, seniors and the HIV+ populations of the borough.

At present, the BCPC offers programs and events for the LGBTQ community including peer support service for youth, seniors, and trans persons; art and cultural programming celebrating the LGBTQ community; an affirming space for other organizations to provide a variety of services to the community. Our work expands the quantity and quality of LGBTQ services in the community and strengthens our community from the inside out.

#### Mission Statement

The Brooklyn Community Pride Center provides services and support to the borough's LGBT community through original programming and partnerships with exemplary organizations.

#### Method of Accounting

The financial statements of the Organization have been prepared on the accrual basis in accordance with U.S. generally accepted accounting principles (GAAP). The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) is the source of authoritative GAAP. Revenues are recorded when earned and expenses are recorded when materials are received or services are provided. Expenses incurred at fiscal year-end have been accrued, and expenses applicable to future periods have been deferred.



# BROOKLYN COMMUNITY PRIDE CENTER, INC.

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

---

### NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Basis of Presentation**

The Organization is required to report information regarding its financial position and activities to three classes of net assets: unrestricted, temporarily restricted and permanently restricted depending on the existence and/or nature of any donor restrictions. As of June 30, 2016, the Organization had unrestricted net assets and temporarily restricted net assets. Unrestricted net assets include contributions and other funding sources not subject to donor imposed stipulations. Temporality restricted net assets include contributions that have restrictions on its use and are subject to donor stipulations.

#### **Use of Estimate in the Preparation of Financial Statements**

The preparation of financial statements in conformity with the accrual basis of accounting requires management of the Organization to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

#### **Fair Value of Financing Instruments**

The carrying amounts of cash, note receivable, prepaid expenses, property and equipment and accounts payable approximate fair value because of the short-term maturity of these financial instruments.

#### **Property and Equipment**

Property and equipment are recorded at original cost at the date of acquisition or the fair market value at the date of donation in the case of gifts. Depreciation is calculated using the income tax method which does not materially differ from the accrual method. Office equipment is being depreciated over three years.

#### **Gifts-in-Kind** *(Non-Cash Contribution)*

The Organization periodically receives contributions in a form other than cash or investments. If the Organization receives a non-cash contribution, the contributed asset is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the Organization's capitalization policy. Donated supplies are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed.

#### **Revenue and Support**

Contributions and grants (support) received is recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions.



# BROOKLYN COMMUNITY PRIDE CENTER, INC.

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

---

### NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue and Support (continued)

Support that is restricted by the donor is recorded as an increase in unrestricted net assets if the restriction expires within the reporting period in which the support is recorded. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction expires or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets.

Contributions to the Organization are recognized as revenue in the accompanying statements of activities upon receipt either of cash or other assets or of unconditional pledges.

Government contracts are on cost-reimbursement basis. Revenue is recognized as the service is performed up to the maximum amount allowed by the contract.

#### Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, certain expenses have been allocated among the programs and supporting services in reasonable ratios determined by management.

#### Grant receivables

The Organization considers government contracts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If amount become uncollectable, they will be charged to operations when that determination is made.

### NOTE B. CASH AND CASH EQUIVALENTS

The Organization has two checking accounts and a saving account with TD bank, New York. The Corporation's bank balances are insured up to \$250,000 in the aggregate by the Federal Deposit Insurance Corporation (the "FDIC"), an independent agency of the United States government, per depositor, per insured bank.

The Organization's cash balances net of reconciling items as of June 30, 2016 are as follows:

TD Bank (checkings)	\$	67,260
TD Bank (savings)		10,000
Petty cash		<u>618</u>
Total cash and cash equivalent:	\$	<u>77,878</u>

The Organizations cash balances were fully FDIC insured as of June 30, 2016.

**BROOKLYN COMMUNITY PRIDE CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

---

**NOTE C. GRANT RECEIVABLES**

At June 30, 2016, grant receivables consisted of the following:

Receivable from NYC Department for the Aging	\$ 3,625
Receivable from NYC Department of Youth and Community Development	4,153
Receivable from NYC Department of Cultural Affairs	3,125
Total Grant receivables	<u>\$ 10,903</u>

**NOTE D. NET PROPERTY AND EQUIPMENT**

Property and equipment are carried at cost less applicable accumulated depreciation.

Office equipment	\$ 3,861
Less: accumulated depreciation	<u>(2,276)</u>
	<u>\$ 1,585</u>

Current year depreciation expense is \$1,052.

**NOTE E. RESTRICTIONS ON NET ASSETS**

As of June 30, 2016, the Organization holds \$10,000 as a capital fund contribution from previous year.

**NOTE F. IN-KIND CONTRIBUTIONS**

In-Kind contributions are recorded where there is an objective basis upon which to value these contributions and where these services are an essential part of the Organization's activities. These amounts are recognized as both support and expense in the accompanying financial statements. For the years ending June 30, 2016 in-kind contributions amounted \$120,728. These amounts consisted mainly of graphic design and legal fees expenses.



# BROOKLYN COMMUNITY PRIDE CENTER, INC.

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

---

### NOTE G. VOLUNTEER SERVICES

The volunteer services the Organization receives are essential to helping the Organization fulfill its mission. Although substantial, these services do not meet the criteria for recording as revenue and expense under accounting principles generally accepted in the United State of America.

### NOTE H. FEDERAL AND STATE TAXES

The Organization is exempt from federal and state income taxes under Section 501(a) of the Internal Revenue Code (the Code) as an organization described in Section 501(c)(3) of the Code. Accordingly, the financial statements do not include an income tax provision, except for certain taxable transactions.

There are no earnings from unrelated business activities. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

### NOTE I. SUBSEQUENT EVENTS

The Organization has reviewed for subsequent events through February 4, 2017, the date the financial statements were available to be issued.

No subsequent events were identified.

\* \* \* \*