

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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HAIMS, BUZZEO & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
STAMFORD, CONNECTICUT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Building One Community
(Formerly) Neighbors Link Stamford
75 Selleck Street
Stamford, CT 06902

We have audited the accompanying financial statements of Building One Community, (Formerly) Neighbors Link Stamford (a nonprofit organization incorporated under the laws of the State of New York), which comprise the statement of financial position as of December 31, 2017 and 2016 and the related statements of activities, changes in net assets, functional expenses and cash flows for the years 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 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 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.

To the Board of Directors
Building One Community
(Formerly) Neighbors Link Stamford
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the statements of financial position of Building One Community (Formerly) Neighbors Link Stamford as of December 31, 2017 and 2016, related statements of activities, changes in net assets, functional expenses and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Haims, Buzzee & Company, P.C.

Certified Public Accountants

February 13, 2018

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD
STATEMENT OF FINANCIAL POSITION

	<u>December 31,</u>	
	<u>2017</u>	<u>2016</u>
<u>ASSETS:</u>		
Cash and Cash Equivalents	\$ 745,628	\$ 660,291
Investments	302,075	2,366
Grants Receivable	14,550	72,225
Contributions Receivable	-	80,000
Prepaid Expenses	5,908	9,886
Other Assets	8,850	8,850
Property, Plant and Equipment, Net of Accumulated Depreciation of \$24,518 and \$21,516	\$ -	\$ 3,002
<u>TOTAL ASSETS</u>	<u>\$ 1,077,011</u>	<u>\$ 836,620</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES:</u>		
Accounts Payable	\$ 15,866	\$ 14,644
<u>Total Liabilities</u>	<u>\$ 15,866</u>	<u>\$ 14,644</u>
<u>NET ASSETS:</u>		
<u>UNRESTRICTED NET ASSETS:</u>		
Undesignated	\$ 664,535	\$ 310,093
Designated by the Board for Operating Reserve	300,000	300,000
<u>Total Unrestricted Net Assets</u>	964,535	610,093
Temporarily Restricted Net Assets - Note 2	96,610	211,883
<u>Total Net Assets</u>	<u>\$ 1,061,145</u>	<u>\$ 821,976</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 1,077,011</u>	<u>\$ 836,620</u>

See accompanying notes and
independent auditors' report.

BUILDING ONE COMMUNITY(FORMERLY) NEIGHBORS LINK STAMFORDSTATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETSFOR YEARS ENDED DECEMBER 31, 2017 AND 2016

			Years Ended December 31,	
			2017	2016
	Unrestricted	Temporarily Restricted	Total	Total
<u>REVENUE AND SUPPORT:</u>				
Event Income	\$ 282,177	\$ -	\$ 282,177	\$ 220,821
Program Income	42,445	-	42,445	15,509
Foundation Grants	527,300	257,250	784,550	782,100
Contributions - Community Organizations	52,088	500	52,588	33,123
Contributions - Individuals	381,270	7,895	389,165	297,859
Interest	2,391	-	2,391	1,088
	<u>1,287,671</u>	<u>265,645</u>	<u>\$ 1,553,316</u>	<u>\$ 1,350,500</u>
Donated Goods and Services	<u>43,420</u>	<u>-</u>	<u>43,420</u>	<u>66,555</u>
	\$ 1,331,091	\$ 265,645	\$ 1,596,736	\$ 1,417,055
Net Assets Released From Restrictions; Satisfaction of Program Restrictions	<u>\$ 380,918</u>	<u>\$ (380,918)</u>	<u>\$ -</u>	<u>\$ -</u>
<u>TOTAL REVENUE AND SUPPORT</u>	<u>\$ 1,712,009</u>	<u>\$ (115,273)</u>	<u>\$ 1,596,736</u>	<u>\$ 1,417,055</u>
<u>EXPENSES:</u>				
Program Services	\$ 1,073,987	\$ -	\$ 1,073,987	\$ 853,503
General and Supporting Services	91,119	-	91,119	111,444
Fundraising Expenses	<u>192,461</u>	<u>-</u>	<u>192,461</u>	<u>144,392</u>
<u>TOTAL EXPENSES</u>	<u>\$ 1,357,567</u>	<u>\$ -</u>	<u>\$ 1,357,567</u>	<u>\$ 1,109,339</u>
<u>CHANGE IN NET ASSETS</u>	\$ 354,442	\$ (115,273)	\$ 239,169	\$ 307,716
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>610,093</u>	<u>211,883</u>	<u>821,976</u>	<u>514,260</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 964,535</u>	<u>\$ 96,610</u>	<u>\$ 1,061,145</u>	<u>\$ 821,976</u>

See accompanying notes and
independent auditors' report.

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD

STATEMENT OF CASH FLOWS

FOR YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>Years Ended December 31,</u>	
	<u>2017</u>	<u>2016</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in Net Assets	\$ 239,169	\$ 307,716
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	3,002	3,004
Grants Receivable	57,675	(62,645)
Contributions Receivable	80,000	(80,000)
Prepaid Expenses	3,978	(8,853)
Accounts Payable	1,222	(8,333)
<u>Total Adjustments</u>	<u>\$ 145,877</u>	<u>\$ (156,827)</u>
<u>Net Cash Provided by Operating Activities</u>	<u>\$ 385,046</u>	<u>\$ 150,889</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Investments	\$ (299,709)	\$ (2,366)
<u>Net Increase in Cash and Cash Equivalents</u>	<u>\$ 85,337</u>	<u>\$ 148,523</u>
<u>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</u>	<u>\$ 660,291</u>	<u>\$ 511,768</u>
<u>CASH AND CASH EQUIVALENTS - END OF YEAR</u>	<u>\$ 745,628</u>	<u>\$ 660,291</u>
<u>SUPPLEMENTAL DISCLOSURES OF CASH FLOWS:</u>		
Cash Paid During the Year for:		
Interest	-	-

See accompanying notes and
independent auditors' report.

BUILDING ONE COMMUNITY(FORMERLY) NEIGHBORS LINK STAMFORDSTATEMENT OF FUNCTIONAL EXPENSESFOR YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>Program Services</u>	<u>Supporting Services</u>	<u>Fundraising</u>	<u>2017 Total</u>	<u>2016 Total</u>
Salaries	\$ 653,119	\$ 35,162	\$ 98,700	\$ 786,981	\$ 519,916
Payroll Taxes	60,978	3,283	9,215	73,476	45,702
Payroll Service	3,595	194	543	4,332	3,239
Employee Health Benefits	25,929	1,396	3,918	31,243	4,718
Professional Development	8,329	448	1,259	10,036	3,903
Program	101,192	123	171	101,486	71,307
Lease Obligation	74,485	4,138	4,138	82,761	78,995
Custodial & Maintenance	5,839	324	324	6,487	6,482
Utilities	12,535	696	696	13,927	14,328
Insurance	19,436	1,940	1,652	23,028	13,365
Office Expenses	18,370	1,685	1,056	21,111	12,582
Professional Fees	39,044	33,810	21,258	94,112	125,041
Advertising & Promotion	12,937	3,450	862	17,249	83,579
Volunteers	1,348	-	-	1,348	6,248
Fundraising: Events	-	-	33,915	33,915	26,109
Fundraising: Other	-	-	9,228	9,228	6,326
Affiliation Fee	425	-	-	425	17,940
Depreciation	2,702	150	150	3,002	3,004
	<u>1,040,263</u>	<u>86,799</u>	<u>187,085</u>	<u>1,314,147</u>	<u>1,042,784</u>
Donated Goods & Services	<u>33,724</u>	<u>4,320</u>	<u>5,376</u>	<u>43,420</u>	<u>66,555</u>
Total	<u>\$ 1,073,987</u>	<u>\$ 91,119</u>	<u>\$ 192,461</u>	<u>\$ 1,357,567</u>	<u>\$ 1,109,339</u>

See accompanying notes and
independent auditors' report.

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Building One Community (formerly) Neighbors Link Stamford brings passionate people together to help immigrants and their families succeed in the community. Together with our network of partners and supporters, we strive to build one community in which all immigrants are active, contributing members. We do this by providing English language instruction, job skills training, personal support services, and more.

Method of Accounting

The financial statements of the Organization have been prepared on the accrual basis and accordingly reflect all significant receivables, prepaid expenses, payable and other accrued expenses. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 116 "Accounting for Contributions Received and Contributions Made". Under SFAS No. 116, the Organization is required to report contributions received as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/nature of donor restrictions.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting (SFAS) No 117, *"Financial Statements of Not-for-profit Organizations"*. Under SFAS No. 117, the Organization is required to report information regarding its temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

Cash and Cash Equivalents

For purpose of the statement of cash flows, the Organization considers all temporary cash investments with an original maturity of three months or less to be cash equivalents.

The Organization maintains its cash in various bank accounts, and is aware of federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Revenue Recognition

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

Contributions that are restricted or temporarily restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction.

Property and Equipment

The Organization records purchases of property and equipment at cost. Major additions and improvements are capitalized, while maintenance and repairs, which do not improve or extend the life of the respective assets, are expensed currently. Depreciation is provided by using the straight-line method over the estimated useful lives of the assets.

Amortization of Leasehold Improvements

Amortization of leasehold improvements is computed using the straight-line method over the shorter of the remaining lease term or the estimated useful lives of the improvements.

Income Taxes

Building One Community (formerly) Neighbors Link Stamford is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization's Income Tax Return (Form 990) has not been examined for the past three years.

NOTE 2 – RESTRICTIONS ON NET ASSETS

Temporarily Restricted Net Assets are Available for the Following Purposes:

Restricted By Purpose:

	<u>2017</u>	<u>2016</u>
Family Advocacy Program	\$ 36,585	\$ -
IT Purchases	-	3,488
Art Project	934	934
Garden Program	2,896	3,389
Sewing Program	2,695	2,695
Staff Development	3,500	-
Database Upgrade	<u>20,000</u>	<u>-</u>
	<u>\$ 66,610</u>	<u>\$ 10,506</u>

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 – RESTRICTIONS ON NET ASSETS (Continued)

Restricted By Time:

	<u>2017</u>	<u>2016</u>
Grant – Family Advocacy	\$ -	\$ 141,377
Grant – General Operating Support	<u>30,000</u>	<u>60,000</u>
	<u>30,000</u>	<u>201,377</u>
 <u>Total</u>	 <u>\$ 96,610</u>	 <u>\$ 211,883</u>

NOTE 3 – DONATED SERVICES

Donated services are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization. Volunteers also provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under SFAS No. 116 were not met.

NOTE 4 – LEASE COMMITMENTS

Building One Community leases the premises at 75 Selleck Street, Stamford, CT. Under the terms of the lease, which expires May 31, 2019, Building One Community is obligated to pay a portion of the real estate taxes and fire insurance premiums. The lease may be extended for three additional years after 2019 or may be terminated in the last two years of the lease. Minimum rent is \$63,648 and \$62,400 for the years ended December 31, 2017 and 2016 respectively with annual rent increases of 2%.

NOTE 5 – AFFILIATE RELATIONSHIP

On January 26, 2017, the Organization terminated the Affiliation and Licensing Agreement that it entered into in January 2011 with Neighbors Link, a Westchester-based non-profit organization. As part of the prior affiliation arrangement, Neighbors Link provided certain affiliate services in exchange for the Affiliation Fee and, as sole member of the Corporation, was entitled to certain rights and was subject to certain responsibilities under its bylaws. In connection with the termination, the Organization amended its bylaws to remove the role of a sole member and rebranded as an independent organization with the new name, Building One Community – The Center for Immigrant Opportunity.

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 6 – FAIR VALUE MEASUREMENTS

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity.

FASB ASC 820 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). In accordance with FASB ASC 820, the following summarizes the fair value hierarchy.

Level 1 Inputs – Unadjusted quoted market prices for identical assets and liabilities in an active market that the Company has the ability to access.

Level 2 Inputs – Inputs other than the quoted prices in active markets that are observable either directly or indirectly.

Level 3 Inputs – Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

FASB ASC 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurements.

As of December 31, 2017, none of the assets and liabilities was required to be reported at fair value on a recurring basis. Carrying values of non-derivative financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses, approximate fair values due to the short term nature of these financial instruments. There are no changes in methods or assumptions during the year ended December 31, 2017.

NOTE 7 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be specifically identified with a program or support service are allocated directly according to their natural classifications.

NOTE 8 – SUBSEQUENT EVENTS

The Organization's management evaluated subsequent events through report letter date.