

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017

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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, 2018 and 2017 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, 2018 and 2017, 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, Buzzeo + Company, P.C.

Certified Public Accountants

April 2, 2019

BUILDING ONE COMMUNITY(FORMERLY) NEIGHBORS LINK STAMFORDSTATEMENT OF FINANCIAL POSITION

	December 31,	
	2018	2017
<u>ASSETS:</u>		
Cash and Cash Equivalents	\$ 861,968	\$ 745,628
Investments	299,221	302,075
Grants Receivable	19,550	14,550
Other Receivables	538	-
Prepaid Expenses	10,160	5,908
Other Assets	8,850	8,850
Property, Plant and Equipment, Net of Accumulated Depreciation of \$25,768 and \$24,518	\$ 3,934	\$ -
<u>TOTAL ASSETS</u>	<u>\$ 1,204,221</u>	<u>\$ 1,077,011</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES:</u>		
Accounts Payable	\$ 8,424	\$ 15,866
<u>Total Liabilities</u>	<u>\$ 8,424</u>	<u>\$ 15,866</u>
<u>NET ASSETS:</u>		
<u>UNRESTRICTED NET ASSETS:</u>		
Undesignated	\$ 849,138	\$ 664,535
Designated by the Board for Operating Reserve	300,000	300,000
<u>Total Unrestricted Net Assets</u>	<u>1,149,138</u>	<u>964,535</u>
Temporarily Restricted Net Assets - Note 2	46,659	96,610
<u>Total Net Assets</u>	<u>\$ 1,195,797</u>	<u>\$ 1,061,145</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 1,204,221</u>	<u>\$ 1,077,011</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, 2018 AND 2017

	Unrestricted	Temporarily Restricted	Years Ended December 31,	
			2018	2017
<u>REVENUE AND SUPPORT:</u>			<u>Total</u>	<u>Total</u>
Event Income	\$ 304,626	\$ -	\$ 304,626	\$ 282,177
Program Income	72,837	-	72,837	42,445
Foundation Grants	858,550	64,000	922,550	784,550
Contributions - Community Organizations	44,020	1,000	45,020	52,588
Contributions - Individuals	321,880	-	321,880	389,165
Interest	1,474	-	1,474	2,391
	<u>1,603,387</u>	<u>65,000</u>	<u>\$ 1,668,387</u>	<u>\$ 1,553,316</u>
Donated Goods and Services	<u>12,998</u>	<u>-</u>	<u>12,998</u>	<u>43,420</u>
	<u>\$ 1,616,385</u>	<u>\$ 65,000</u>	<u>\$ 1,681,385</u>	<u>\$ 1,596,736</u>
Net Assets Released From Restrictions; Satisfaction of Program Restrictions	<u>\$ 114,951</u>	<u>\$ (114,951)</u>	<u>\$ -</u>	<u>\$ -</u>
<u>TOTAL REVENUE AND SUPPORT</u>	<u>\$ 1,731,336</u>	<u>\$ (49,951)</u>	<u>\$ 1,681,385</u>	<u>\$ 1,596,736</u>
<u>EXPENSES:</u>				
Program Services	\$ 1,221,003	\$ -	\$ 1,221,003	\$ 1,073,987
General and Supporting Services	78,699	-	78,699	91,119
Fundraising Expenses	247,031	-	247,031	192,461
<u>TOTAL EXPENSES</u>	<u>\$ 1,546,733</u>	<u>\$ -</u>	<u>\$ 1,546,733</u>	<u>\$ 1,357,567</u>
<u>CHANGE IN NET ASSETS</u>	<u>\$ 184,603</u>	<u>\$ (49,951)</u>	<u>\$ 134,652</u>	<u>\$ 239,169</u>
<u>NET ASSETS - BEGINNING OF YEAR</u>	<u>964,535</u>	<u>96,610</u>	<u>1,061,145</u>	<u>821,976</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 1,149,138</u>	<u>\$ 46,659</u>	<u>\$ 1,195,797</u>	<u>\$ 1,061,145</u>

See accompanying notes and
independent auditors' report.

BUILDING ONE COMMUNITY(FORMERLY) NEIGHBORS LINK STAMFORDSTATEMENT OF CASH FLOWSFOR YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>Years Ended December 31,</u>	
	<u>2018</u>	<u>2017</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in Net Assets	\$ 134,652	\$ 239,169
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	1,250	3,002
Grants Receivable	(5,000)	57,675
Contributions Receivable	-	80,000
Other Receivables	(538)	
Prepaid Expenses	(4,252)	3,978
Accounts Payable	(7,442)	1,222
<u>Total Adjustments</u>	<u>\$ (15,982)</u>	<u>\$ 145,877</u>
<u>Net Cash Provided by Operating Activities</u>	<u>\$ 118,670</u>	<u>\$ 385,046</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Capital Expenditures	(5,184)	-
Investments	\$ 2,854	\$ (299,709)
<u>Net Cash Used In Investing Activities</u>	<u>(2,330)</u>	<u>(299,709)</u>
<u>Net Increase in Cash and Cash Equivalents</u>	<u>\$ 116,340</u>	<u>\$ 85,337</u>
<u>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</u>	<u>\$ 745,628</u>	<u>\$ 660,291</u>
<u>CASH AND CASH EQUIVALENTS - END OF YEAR</u>	<u>\$ 861,968</u>	<u>\$ 745,628</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS:

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, 2018 AND 2017

	Program Services	Supporting Services	Fundraising	2018 Total	2017 Total
Salaries	\$ 824,218	\$ 48,569	\$ 139,362	\$ 1,012,149	\$ 786,981
Payroll Taxes	77,845	4,587	13,162	95,594	73,476
Payroll Service	5,443	321	920	6,684	4,332
Employee Health Benefits	28,654	1,689	4,845	35,188	31,243
Professional Development	16,299	960	2,756	20,015	10,036
Program	114,675	143	366	115,184	101,486
Lease Obligation	65,781	3,655	3,655	73,091	82,761
Custodial & Maintenance	6,091	338	338	6,767	6,487
Utilities	13,674	760	760	15,194	13,927
Insurance	25,161	2,292	2,670	30,123	23,028
Office Expenses	12,140	1,183	701	14,024	21,111
Professional Fees	15,300	8,581	14,380	38,261	94,112
Advertising & Promotion	5,588	1,048	349	6,985	17,249
Volunteers	3,051	-	-	3,051	1,348
Fundraising: Events	-	-	50,050	50,050	33,915
Fundraising: Other	-	-	10,124	10,124	9,228
Affiliation Fee	-	-	-	-	425
Depreciation	1,125	63	63	1,251	3,002
	<u>1,215,045</u>	<u>74,189</u>	<u>244,501</u>	<u>1,533,735</u>	<u>1,314,147</u>
Donated Goods & Services	<u>5,958</u>	<u>4,510</u>	<u>2,530</u>	<u>12,998</u>	<u>43,420</u>
Total	<u>\$ 1,221,003</u>	<u>\$ 78,699</u>	<u>\$ 247,031</u>	<u>\$ 1,546,733</u>	<u>\$ 1,357,567</u>

See accompanying notes and independent auditors' report.

BUILDING ONE COMMUNITY
(FORMERLY) NEIGHBORS LINK STAMFORD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

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, 2018

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>2018</u>	<u>2017</u>
Family Advocacy Program	\$ -	\$ 36,585
IT Purchases	20,538	-
Art Project	-	934
Garden Program	2,121	2,896
Sewing Program	-	2,695
Staff Development	-	3,500
Database Upgrade	6,000	20,000
Family Night	1,000	-
	<u>\$ 29,659</u>	<u>\$ 66,610</u>

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

DECEMBER 31, 2018

NOTE 2 – RESTRICTIONS ON NET ASSETS (Continued)

Restricted By Time:

	2018	2017	
Grant – Work Force Development	14,000	\$ -	-
Grant – General Operating Support	-	30,000	-
Grant – Legal Services	3,000	-	-
	17,000	30,000	
<u>Total</u>	\$ 46,659	\$ 96,610	

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 \$64,921 and \$63,648 for the years ended December 31, 2018 and 2017 respectively with annual rent increases of 2%.

NOTE 5 – 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.

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

DECEMBER 31, 2018

NOTE 5 – FAIR VALUE MEASUREMENTS (Continued)

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, 2018, 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, 2018.

NOTE 6 – 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 7 – SUBSEQUENT EVENTS

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