
**LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.**

FINANCIAL STATEMENTS

Years Ended June 30, 2015 and 2014

PATRICIA ARMSTRONG
CERTIFIED PUBLIC ACCOUNTANT

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.

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PATRICIA ARMSTRONG
CERTIFIED PUBLIC ACCOUNTANT

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CERTIFIED PUBLIC ACCOUNTANT

233 West 99th Street, Suite 3A

New York, NY 10025

(212) 663-8260 Fax (212) 662-5113

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Lenape/Bloemendael District Management Association, Inc.
New York, NY

I have audited the accompanying financial statements of Lenape/Bloemendael District Management Association, Inc. (a nonprofit organization) which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities, 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

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lenape/Bloemendael District Management Association, Inc. as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Patricia Armstrong, CPA

November 13, 2015

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.
 Statements of Financial Position
 June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash in bank	\$ 95,674	\$ 91,234
Grants receivable	10,000	11,270
Other receivables	-	262
Prepaid expenses	11,468	4,389
Equipment and leasehold improvements	612	739
Other assets	<u>6,150</u>	<u>6,150</u>
Total Assets	<u>\$ 123,904</u>	<u>\$ 114,044</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable and accrued expenses	\$ <u>30,158</u>	\$ <u>20,887</u>
NET ASSETS		
Unrestricted	91,882	85,068
Temporarily restricted	<u>1,864</u>	<u>8,089</u>
Total net assets	<u>93,746</u>	<u>93,157</u>
Total Liabilities and Net Assets	<u>\$ 123,904</u>	<u>\$ 114,044</u>

The accompanying notes are an integral part of these financial statements.

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.
 Statements of Activities
 For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
CHANGES IN UNRESTRICTED NET ASSETS		
REVENUES		
Real property tax special assessment	\$ 290,000	\$ 260,000
Grants and contributions	16,485	6,590
Program fees	2,732	-
Interest income	<u>78</u>	<u>69</u>
Total revenues	309,295	266,659
Net assets released from restrictions	<u>6,225</u>	<u>1,680</u>
	<u>315,520</u>	<u>268,339</u>
 EXPENSES		
Program Services		
Security	26,547	24,586
Beautification and neighborhood definition	87,819	50,631
Promotion	73,807	61,893
Sanitation	<u>92,839</u>	<u>80,561</u>
 Supporting Activities		
Management and general	26,367	28,050
Fund-raising	<u>1,327</u>	<u>1,000</u>
Total expenses	<u>308,706</u>	<u>246,721</u>
Increase in unrestricted net assets	<u>6,814</u>	<u>21,618</u>
 CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Grants and contributions	1,864	6,500
Net assets released from restrictions	<u>(8,089)</u>	<u>(1,680)</u>
Increase (decrease) in temporarily restricted net assets	<u>(6,225)</u>	<u>4,820</u>
Change in net assets	589	26,438
Net Assets - July 1,	<u>93,157</u>	<u>66,719</u>
Net Assets - June 30,	<u>\$ 93,746</u>	<u>\$ 93,157</u>

The accompanying notes are an integral part of these financial statements.

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.
Statement of Functional Expenses
Year Ended June 30, 2015

PROGRAM SERVICES SUPPORTING ACTIVITIES

	Security	Beautification and neighborhood definition	Promotion	Sanitation	Management & General	Fund Raising	Totals
Salaries	\$ 12,400	\$ 25,153	\$ 27,242	\$ 49,423	\$ 10,202	\$ 620	\$ 125,040
Payroll taxes	2,080	4,219	4,569	8,289	1,710	104	20,971
Employee benefits	7,327	9,158	9,158	7,327	3,297	366	36,633
Sanitation services	-	-	-	1,166	-	-	1,166
Sanitation supplies	-	-	-	6,611	-	-	6,611
Tree pits	-	17,909	-	-	-	-	17,909
Calendar	-	5,885	5,885	-	-	-	11,770
Lighting and decorations	-	-	12,000	-	-	-	12,000
Program expenses	-	15,880	4,539	1,131	-	-	21,550
Insurance	411	833	902	1,637	338	21	4,142
Rent and utilities	3,782	7,671	8,308	15,073	3,112	189	38,135
Office expenses and supplies	108	219	238	431	90	5	1,091
Telephone	250	510	552	1,001	207	13	2,533
Professional fees	-	-	-	-	7,168	-	7,168
Sundry expenses	176	356	386	700	233	9	1,860
Depreciation	13	26	28	50	10	-	127
Total expenses, year ended June 30, 2015	\$ 26,547	\$ 87,819	\$ 73,807	\$ 92,839	\$ 26,367	\$ 1,327	\$ 308,706

The accompanying notes are an integral part of these financial statements.

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.
Statement of Functional Expenses
Year Ended June 30, 2014

	PROGRAM SERVICES			SUPPORTING ACTIVITIES			
	Security	Beautification and neighborhood definition	Promotion	Sanitation	Management & General	Fund - Raising	Totals
Salaries	\$ 11,732	\$ 20,121	\$ 21,384	\$ 44,286	\$ 11,590	\$ 587	\$ 109,700
Payroll taxes	1,789	3,069	3,262	6,755	1,768	89	16,732
Employee benefits	6,374	9,560	9,560	3,187	2,868	319	31,868
Sanitation services	-	-	-	3,300	-	-	3,300
Sanitation supplies	-	-	-	3,999	-	-	3,999
Tree pits	-	1,556	-	-	-	-	1,556
Calendar	-	4,935	4,935	-	-	-	9,870
Lighting and decorations	-	-	11,400	-	-	-	11,400
Program expenses	-	3,341	2,754	-	-	-	6,095
Insurance	350	601	638	1,421	364	-	3,374
Rent and utilities	3,886	6,665	7,083	15,762	4,033	-	37,429
Office expenses and supplies	80	139	193	328	84	-	824
Telephone	193	332	352	784	201	-	1,862
Professional fees	-	-	-	-	6,858	-	6,858
Sundry expenses	182	312	332	739	189	5	1,759
Depreciation	-	-	-	-	95	-	95
Total expenses, year ended June 30, 2014	\$ 24,586	\$ 50,631	\$ 61,893	\$ 80,561	\$ 28,050	\$ 1,000	\$ 246,721

The accompanying notes are an integral part of these financial statements.

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.
 Statements of Cash Flows
 For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 589	\$ 26,438
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	127	95
(Increase) decrease in current assets:		
Grants receivables	1,270	(5,040)
Other receivable	262	(262)
Prepaid expenses	(7,079)	3,752
Increase (decrease) in current liabilities:		
Accounts payable and accrued expenses	<u>9,271</u>	<u>(4,119)</u>
Net cash provided by operating activities	4,440	20,864
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	<u>-</u>	<u>(634)</u>
Increase in cash	4,440	20,230
Cash - beginning of year	<u>91,234</u>	<u>71,004</u>
Cash - end of year	<u>\$ 95,674</u>	<u>\$ 91,234</u>

The accompanying notes are an integral part of these financial statements.

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2015 and 2014

Note 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lenape/Bloemendael District Management Association, Inc. (Lenape) was formed to oversee the Columbus/Amsterdam Business Improvement District (BID) and generally improve the economic development of the Columbus/Amsterdam shopping area.

Basis of Accounting

The financial statements of Lenape/Bloemendael District Management Association, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables and payables.

Basis of Presentation

Lenape/Bloemendael District Management Association, Inc. is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Lenape/Bloemendael District Management Association's net assets consist of unrestricted net assets, which are not restricted by donors or by law and temporarily restricted net assets, whose use has been restricted by donor imposed time and/or purpose restrictions.

Income Tax Status

Lenape/Bloemendael District Management Association, Inc. is exempt from Federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code. In addition, Lenape qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, Lenape considers all unrestricted highly liquid investments, with an initial maturity of three months or less to be cash equivalents.

Equipment and Leasehold Improvements

Lenape capitalizes all expenditures for equipment and leasehold improvements in excess of \$500. Equipment and leasehold improvements are recorded at cost or, if donated, at the estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the asset to a specific purpose. Depreciation is provided over the estimated useful lives of the equipment and leasehold improvements on a straight line basis.

Grants and Contributions

Unconditional grants and contributions are recognized as revenues in the period received and as assets or expenses depending on the form of the benefits received. Grants and contributions received with donor stipulations are reported as an increase in unrestricted net assets if the restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2015 and 2014

Revenues

Substantially, all of the Lenape's revenue is derived from funds under a five-year contract with the New York City Department of Small Business Services. The current contract expires June 30, 2017. During the years under audit the contract amount was \$290,000 and \$260,000 for 2015 and 2014 respectively.

The primary source of these funds is a special assessment, which has been levied on property owners within the Business Improvement District. The funds are restricted to uses benefitting property owners, businesses and residents within the Business Improvement District.

Functional Allocation of Expenses

Expenses are charged to program services and supporting activities on the basis of time and expense studies. Management and general expenses include those expenses that provide for the overall support and direction of Lenape.

Accounting for Uncertainty in Income Taxes

Lenape's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Management is not aware of any violation of its tax status as an organization exempt from income taxes, nor of any exposure to unrelated business income tax. Periods ending June 30, 2011 and subsequent remain subject to examination by applicable taxing authorities.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenses.

Note 2 - DESCRIPTION OF PROGRAM SERVICES

The following program services are included in the accompanying financial statements:

Security - The BID meets with the police and district attorney's office and facilitates communications between neighborhood groups, merchants, schools, property owners, and individuals to increase security and the perception of safety in the neighborhood. Lenape contracts for and coordinates the installation of security lights in cooperation with property owners and merchants.

Beautification and neighborhood definition - Programs are initiated to beautify the neighborhood by providing holiday lighting and banners and working with the Parks Department to plant trees and install tree guards.

Promotion - Fosters knowledge and stimulates interest in neighborhood activities. Created and printed a monthly calendar of events, a restaurant guide and conducted historical walking tours.

Sanitation - A Sidewalk Crew provides a thorough street sweeping seven days a week. Lenape also provides trash and snow removal and other services to keep the sidewalk and streets clear of graffiti and debris.

LENAPE/BLOEMENDAEL
DISTRICT MANAGEMENT ASSOCIATION, INC.
Notes to Financial Statements
June 30, 2015 and 2014

Note 3 - EQUIPMENT

Equipment consists of the following:

	2015	2014
Office equipment	\$ 6,605	\$ 6,605
Leasehold improvements	35,469	35,469
Less: Accumulated depreciation	(41,462)	(41,335)
	\$ 612	\$ 739

Depreciation amounted to \$127 and \$95 for the year ended June 30, 2015 and 2014 respectively.

Note 4 - TEMPORARILY NET ASSETS

Temporarily restricted net assets were available for:

	2015	2014
Restaurant guide	\$ 1,864	\$ 1,589
Art project	-	6,500
	\$ 1,864	\$ 8,089

Note 5 - TAX DEFERRED ANNUITY PLAN

Lenape participates in a tax-deferred annuity plan, awaiting qualification under Section 403(b) of the Internal Revenue Code. All employees are eligible to participate in the plan. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code, if they wish. During the years under audit Lenape did not contribute to the plan.

Note 6 - CONCENTRATION OF CREDIT RISK

Lenape maintains cash balances in two financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000.

Note 7 - COMMITMENTS AND CONTINGENCIES

Lenape's lease for office space expires February 28, 2018. The future minimum lease payments are:

Year Ended	Amount
June 30, 2016	\$ 38,040
June 30, 2017	38,880
Thereafter	26,400
	\$ 103,320

Rent expense amounted to \$36,600 and \$36,000 during the years ended June 30, 2015 and 2014, respectively.

Note 8 - Subsequent Events

Lenape's management has evaluated events occurring between June 30, 2015 and November 13, 2015 when the financial statements were available to be issued.