

**ALIGN: THE ALLIANCE FOR A  
GREATER NEW YORK, INC**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

**(With independent's Auditor Report)**

**Audited Financial Statements**

**ALIGN: THE ALLIANCE FOR A GREATER NEW YORK, INC**

**AS OF DECEMBER 31, 2012**

Report of Independent Auditor .....	1
Statement of Financial Position .....	2
Statement of Activities and Changes in Net Assets .....	3
Statement of Cash Flows .....	4
Notes to Financial Statements .....	5-7
Schedule of Functional Expenses .....	8



**John W. Davis, CPA**  
Certified Public Accountant

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
ALIGN: The Alliance For A Greater New York, Inc  
New York, NY

I have audited the accompanying financial statements of **ALIGN: The Alliance For A Greater New York, Inc** which comprise of the statement of financial position as of December 31, 2012 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management is responsible for the preparation and fair presentation of these financial statement 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.

My responsibility is to express an opinion on these financial statements based on my audit. 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 of 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 judgement, 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 the 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.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **ALIGN: The Alliance For A Greater New York, Inc** as of December 31, 2012 and the results of its operations and its cash flows for the year ended, in accordance with accounting principles generally accepted in the United States of America.

Linden, NJ  
April 25, 2013

**ALIGN: THE ALLIANCE FOR A GREATER NEW YORK, INC****STATEMENT OF FINANCIAL POSITION****AS OF DECEMBER 31, 2012****(With comparative totals for 2011)**

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 849,449	\$ 281,661
Grants and other receivable	30,000	1,303
Prepaid expenses	10,014	9,759
<b>Total Current Assets</b>	<u>889,463</u>	<u>292,723</u>
Rent security deposits	14,531	14,531
Fixed assets- net - Notes 2 and 3	10,502	17,693
<b>TOTAL ASSETS</b>	<u>\$ 914,496</u>	<u>\$ 324,947</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accrued expenses payable	\$ 8,730	\$ 18,349
Payroll deductions payable	1,764	6,868
<b>Total Current Liabilities</b>	<u>10,494</u>	<u>25,217</u>
Deferred rent payable- Note 5	9,000	
<b>Total Liabilities</b>	<u>19,494</u>	<u>25,217</u>
<b>NET ASSETS</b>		
Unrestricted	623,337	206,399
Temporarily restricted- Note 4	271,665	93,331
<b>Total Net Assets</b>	<u>895,002</u>	<u>299,730</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 914,496</u>	<u>\$ 324,947</u>

See accompanying notes to financial statements.

**ALIGN: THE ALLIANCE FOR A GREATER NEW YORK, INC****STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS****FOR THE YEAR ENDED DECEMBER 31, 2012****(With comparative totals for 2011)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total 2011</u>
<b>REVENUE</b>				
Grants and contributions	\$ 683,208	\$ 901,623	1,584,831	966,662
Program income	59,280		59,280	65,296
Other income				2,882
Interest income	1,853		1,853	
<b>Total revenue</b>	<u>744,341</u>	<u>901,623</u>	<u>1,645,964</u>	<u>1,034,840</u>
Net assets released from restrictions	<u>752,457</u>	<u>(752,457)</u>		
<b>Total revenue</b>	<u>1,496,798</u>	<u>149,166</u>	<u>1,645,964</u>	<u>1,034,840</u>
<b>EXPENSES</b>				
Programs	783,941		783,941	632,366
Management and general	165,570		165,570	157,068
Fundraising	101,181		101,181	94,006
<b>Total expenses</b>	<u>1,050,692</u>	<u>-</u>	<u>1,050,692</u>	<u>883,440</u>
<b>CHANGES IN NET ASSETS</b>	<u>446,106</u>	<u>149,166</u>	<u>595,272</u>	<u>151,400</u>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>177,231</u>	<u>122,499</u>	<u>299,730</u>	<u>148,330</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 623,337</u>	<u>\$ 271,665</u>	<u>\$ 895,002</u>	<u>\$ 299,730</u>

See accompanying notes to financial statements.

**ALIGN: THE ALLIANCE FOR A GREATER NEW YORK, INC****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED DECEMBER 31, 2012  
(With comparative totals for 2011)**

	<u>2012</u>	<u>2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 595,272	\$ 151,400
<b>Adjustments to reconcile changes in net assets to net cash provided by operating activities:</b>		
Depreciation	7,191	3,241
<b>Decrease (increase in) operating assets:</b>		
Grant and other receivable	(28,697)	25,824
Prepaid expenses	(255)	(4,248)
<b>Increase (decrease) in operating liabilities:</b>		
Accrued expenses payable	(9,619)	12,333
Payroll deductions payable	(5,104)	6,868
Deferred rent payable	9,000	
<b>Net Cash Provided By Operating Activities</b>	<u>567,788</u>	<u>195,418</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed assets additions		(11,100)
<b>Net Increase In Cash</b>	<u>567,788</u>	<u>184,318</u>
<b>CASH AND CASH AT BEGINNING OF THE YEAR</b>	<u>281,661</u>	<u>97,343</u>
<b>CASH AND CASH AT END OF THE YEAR</b>	<u>\$ 849,449</u>	<u>\$ 281,661</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest expense paid	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

# ALIGN: THE ALLIANCE FOR A GREATER NEW YORK, INC

## NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2012

### NOTE 1 ORGANIZATION

ALIGN: The Alliance For A Greater New York, Inc ("ALIGN") was incorporated under the not-for-profit of the laws of the State of New York in May 2002 under the name New York Jobs With Justice, Inc. In May 2011, a certificate of Amendment was filed with the State of New York to change its name to ALIGN.

ALIGN main purpose is to organize, transform communities and workplaces all in an effort to promote social, racial and economic justice to all New Yorkers.

### NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles. The following is a summary of the significant accounting policies followed by The Organization:

#### Method of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

#### Depreciation

Fixed assets are recorded at cost. Depreciation is recorded using the straight line method over the estimated useful life of the assets.

#### Financial Statement Presentation

The Organization's financial statements adhere to the established standards for external financial statements provided by not-for-profit organizations which require that resources be classified for accounting and reporting purposes into three classes of net assets - permanently restricted, temporarily restricted and unrestricted.

#### Cash and Cash Equivalents

Cash and cash equivalents include demand and money market accounts. All short-term investments with an original maturity of three months or less are considered cash equivalents.

# ALIGN: THE ALLIANCE FOR A GREATER NEW YORK, INC

## NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2012

### NOTE 2 SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Income Taxes

The Organization was organized as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue code and is exempt from Federal, State and City income taxes based upon this letter of determination issued by the Internal Revenue Service.

ALIGN has no uncertain tax positions as of December 31, 2012 in accordance with Accounting Standards Codification ("ASC") Topic 740, "Income Taxes", which provides standards for establishing and classifying and tax provisions for uncertain tax positions. The Organization is no longer subject to federal or state and local income tax examinations by tax authorities for years ended before December 31, 2009.

#### Revenue Recognition

The Organization's revenue relating to contributions received, including unconditional promises to give, is recognized as revenue in the period received at its fair values and the Organization distinguishes such contributions received for each net asset category in accordance with donor-imposed restrictions. Interest earned on loans are considered unrestricted and can be used for general operations.

#### 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 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.

#### Subsequent Events

ALIGN has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of financial position through April 25, 2013, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through April 25, 2013, which would require adjustment to or disclosure in the accompanying financial statements.



**ALIGN: THE ALLIANCE FOR A GREATER NEW YORK, INC**

**NOTES TO FINANCIAL STATEMENTS**

**AS OF DECEMBER 31, 2012**

**NOTE 3 FIXED ASSETS**

Fixed assets as of December 31, 2012 consisted of the following

	<u>Amount</u>
Office equipment	\$ 30,200
Software and web design	15,101
	<u>45,301</u>
Less: accumulated depreciation	(34,799)
<b>Net Book Value</b>	<u><u>\$ 10,502</u></u>

**NOTE 4 TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consist of the balance of restricted grants received as of December 31, 2012 that will be used in subsequent years.

**NOTE 5 COMMITMENT**

In December, 2002, ALIGN entered into an operating lease agreement for its office space. The lease will expire on April 19, 2017.

Future lease payments are as follows

<u>For Year Ending December 31</u>	<u>Amount</u>
2013	\$ 90,000
2014	96,000
2015	100,500
2016	106,500
2017	31,500
<b>Total</b>	<u><u>\$ 424,500</u></u>

**Deferred Rent**

For financial statement purposes, rent expense was accounted for on the straight-line basis as per generally accepted accounting principles. Accordingly, any excess of straight-line rent over rent paid was reflected as a liability in the statement of financial position under the caption "deferred rent payable". As of December 31, 2012, that balance was \$9,000.

**ALIGN: THE ALLIANCE FOR A GREATER NEW YORK, INC**

**SCHEDULE OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

**(With comparative totals for 2011)**

Expenses	PROGRAMS	MANAGEMENT AND GENERAL		FUNDRAISING	TOTAL	2011 TOTAL
Salaries and fringe benefits	\$ 461,955	\$ 117,115	\$ 71,571	\$ 650,641	\$ 638,331	
Professional fees	11,951	3,030	1,852	16,832	10,360	
Consultants and contractual services	50,181	12,722	7,775	70,678	61,444	
Dues and subscriptions	2,635	668	408	3,711	5,431	
Office supplies and expenses	5,392	1,367	835	7,594	1,707	
Postage and delivery	976	247	151	1,374	2,412	
Travel and conference	20,180	5,116	3,126	28,422	28,804	
Printing and reproduction	6,612	1,676	1,024	9,313	11,135	
Telecommunication	12,003	3,043	1,860	16,906	18,753	
Occupancy	66,729	16,917	10,338	93,985	60,524	
Equipment and rental	3,955	1,003	613	5,570	13,026	
Insurance	3,416	866	529	4,811	1,890	
Grants	130,861			130,861	25,600	
Depreciation	5,106	1,294	791	7,191	3,241	
Others	1,990	505	308	2,803	782	
<b>Total Expenses</b>	<b>\$ 783,941</b>	<b>\$ 165,570</b>	<b>\$ 101,181</b>	<b>\$ 1,050,692</b>	<b>\$ 883,440</b>	

See notes to financial statements and accompanying report of independent auditors dated April 25, 2013.