

BIG APPLE GREETER, INC.

**FINANCIAL STATEMENTS
AND
ACCOUNTANTS' REPORT**

APRIL 30, 2019

BIG APPLE GREETER, INC.

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To: The Board of Directors of
Big Apple Greeter, Inc.

We have reviewed the accompanying statement of financial position of Big Apple Greeter, Inc., a not-for-profit organization, as of April 30, 2019, and the related statements of activities, expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with U.S. generally accepted accounting principles. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with U.S. generally accepted accounting principles.

Skody Scot & Company, CPAs, PC

New York, NY
December 13, 2019

BIG APPLE GREETER, INC.
STATEMENT OF FINANCIAL POSITION
APRIL 30, 2019

ASSETS

Cash	\$ 84,146
Accounts receivable	160
Prepaid expenses	4,984
	<hr/>
Total assets	<u>\$ 89,290</u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	\$ 11,975
Deferred revenue	10,000
Total liabilities	<hr/> 21,975
Commitments and contingencies (see notes)	
Net Assets:	
Without donor restrictions	49,815
With donor restrictions	17,500
Total net assets	<hr/> 67,315
Total liabilities and net assets	<u>\$ 89,290</u>

**See independent accountants' review report
and accompanying notes.**

**BIG APPLE GREETER, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2019**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and Revenues:			
Contributions	\$ 145,421	\$ 17,500	\$ 162,921
Government grants	17,000	-	17,000
Contributions in-kind	216,780	-	216,780
Special events:			
Income	31,660	-	31,660
Less: related direct costs	(10,603)	-	(10,603)
Net special event income	<u>21,057</u>	<u>-</u>	<u>21,057</u>
Interest income	4	-	4
Net assets released from restriction:			
Satisfaction of purpose restrictions	<u>6,628</u>	<u>(6,628)</u>	<u>-</u>
Total support and revenues	<u>406,890</u>	<u>10,872</u>	<u>417,762</u>
Expenses:			
Program services	251,038	-	251,038
Management and general	80,536	-	80,536
Fundraising	58,177	-	58,177
Total expenses	<u>389,751</u>	<u>-</u>	<u>389,751</u>
Increase in net assets	17,139	10,872	28,011
Net assets, beginning of year	<u>32,676</u>	<u>6,628</u>	<u>39,304</u>
Net assets, end of year	<u>\$ 49,815</u>	<u>\$ 17,500</u>	<u>\$ 67,315</u>

**See independent accountants' review report
and accompanying notes.**

**BIG APPLE GREETER, INC.
STATEMENT OF EXPENSES
YEAR ENDED APRIL 30, 2019**

	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 55,711	\$ 26,695	\$ 33,659	\$ 116,065
Payroll taxes and benefits	10,325	4,948	6,238	21,511
Computer maintenance & support	9,594	-	-	9,594
Equipment	2,892	619	620	4,131
Insurance	3,739	1,602	-	5,341
Office supplies and expenses	317	9,462	-	9,779
Professional fees	-	6,550	-	6,550
Rent and utilities	112,240	14,030	14,030	140,300
Telephone and fax	29,040	3,630	3,630	36,300
Volunteers - technical	12,000	13,000	-	25,000
Volunteers - other	15,180	-	-	15,180
Total expenses	<u>\$ 251,038</u>	<u>\$ 80,536</u>	<u>\$ 58,177</u>	<u>\$ 389,751</u>

**See independent accountants' review report
and accompanying notes.**

**BIG APPLE GREETER, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED APRIL 30, 2019**

Cash flows from operating activities:	
Increase/(decrease) in net assets	\$ 28,011
Adjustments for non-cash items included in operating activities	-
Changes in assets and liabilities:	
Accounts receivable	3,340
Prepaid expenses	1,494
Accounts payable and accrued expenses	(8,205)
Deferred revenue	(1,970)
Net cash provided/(used) by operating activities	<u>22,670</u>
Cash flows from investing activities	<u>-</u>
Cash flows from financing activities	<u>-</u>
Net increase in cash	22,670
Cash, at beginning of year	<u>61,476</u>
Cash, at end of year	<u><u>\$ 84,146</u></u>

**See independent accountants' review report
and accompanying notes.**

BIG APPLE GREETER, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

The Organization

Big Apple Greeter, Inc. (the Organization), a not-for-profit organization, was incorporated in the State of New York on April 16, 1993. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for federal, state or local income taxes has been recorded. The Organization does not believe its financial statements include any uncertain tax positions. The Organization primarily receives its support from contributions, government grants and special events.

The purpose of the Organization is to enhance New York City's worldwide image and enrich the New York experience, with a goal of bolstering tourism and fostering economic development. This is accomplished by connecting visitors with enthusiastic, local greeters who volunteer their time to provide tourists with their first-hand knowledge of more than 100 neighborhoods throughout New York City. The Organization builds bridges between people and cultures, and promotes cross-cultural understanding. Greeters welcome visitors from all over the world, and visitors go home with a better appreciation of the diversity of New Yorkers and all Americans.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

In 2018, the Organization adopted all reporting changes required under FASB ASU 2016-14 *Presentation of Financial Statements of Not-for-Profit Entities*. Accordingly, all amounts on the fiscal year 2019 financial statements conform to the new presentation requirements. All required disclosures have been incorporated and included on the accompanying financial statements and in these notes.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Receivables

Receivables that are expected to be collected within one year are recorded at their net realizable value. Receivables that are expected to be collected in future years are recorded at the present value of estimated future cash flows. All receivables are expected to be received within one year and as such have been stated at their net realizable value with no allowance for uncollectable receivables.

BIG APPLE GREETER, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Property, Equipment and Intangibles

The Organization capitalizes certain property, equipment and intangibles with estimated lives of three years or more. Property and equipment are stated at cost, less accumulated depreciation. Depreciation of furniture and equipment is computed by the straight-line method over estimated useful lives ranging from three to ten years. Software is amortized by the straight-line method over the life of the software license. Expenditures for repairs and maintenance are charged as an expense, and major renewals and betterments are capitalized.

Net Assets

Net assets, revenue, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. This classification includes net assets designated by the board or management for a specified purpose.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature (endowment), where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as support with donor restrictions and increases in net assets with donor restrictions. Contributions received with donor restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

In accordance with grant provisions, grants are recorded as revenue when earned, either through expenditure or accomplishment of a specific goal or benchmark. All unreimbursed expenses as of the period-end are recorded as a receivable and all advanced funds not expended are recorded as refundable advances.

Special event revenue is recognized when the event takes place. Any revenue received prior to the event is recorded as deferred revenue.

BIG APPLE GREETER, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Organization allocates salaries and related expenses based on estimated time and effort. Other expenses, such as rent and utilities, equipment, insurance, office supplies and expenses are allocated based on usage. The Organization classifies expenses, which are not directly related to a specific program, as Management and General expenses.

Note 2 - Contributions In-Kind

A large portion of the Organization's activities, both programmatic and supporting, is conducted with the help of donated services and facilities. Some of the donated services and facilities meet the criteria for being recognized as contributions in accordance with GAAP, and some do not. In addition, some donated services and facilities could be independently valued, and some could not. Only those in-kind contributions that meet the GAAP recognition criteria and that could be independently valued are included in the financial statements.

During the year ended April 30, 2019, the Organization received contributions in-kind, both recognized and non-recognized, as follows:

Administrative volunteers	\$ 459,248
Volunteer greeters	340,988
Technical volunteers	25,000
Other volunteers	21,090
Rent, utilities, telephone and fax	<u>176,600</u>
	<u>\$ 1,022,926</u>

Note 3 - Net Assets With Donor Restrictions

As of April 30, 2019, net assets with donor restrictions are available as follows:

Legacy project	\$ <u>17,500</u>
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Note 4 - Concentrations

The Organization maintains its bank accounts with major financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits up to \$250,000 per financial institution.

BIG APPLE GREETER, INC.
NOTES TO FINANCIAL STATEMENTS

Note 5 - Government Grants

During the year ended April 30, 2019, the Organization was awarded a grant by a governmental entity. Total revenue recognized under the grant amounted to \$17,000 for the year ended April 30, 2019.

Note 6 - Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other obligations as they come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. Amounts available for general expenditures over a 12-month period include donor-restricted amounts that are available for ongoing programmatic and support expenditures.

The following reflects the Organization's financial assets, as of April 30, 2019, reduced by amounts not available for general use within one year because of contractual, donor-imposed, or internal restrictions and designations:

Financial assets:	
Cash	\$ 84,146
Accounts receivable	<u>160</u>
Total financial assets	84,306
Less those unavailable for general expenditures within one year	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 84,306</u>

Note 7 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through December 13, 2019, which is the date the financial statements were available to be issued.