

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
(A NOT-FOR-PROFIT CORPORATION)
REVIEWED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2016**

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Independent accountant's review report

To the Board of Directors
Kingsbridge-Riverdale-Van Cortlandt
Development Corporation
Bronx, NY

We have reviewed the accompanying financial statements of Kingsbridge-Riverdale-Van Cortlandt Development Corporation (the "Organization"), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and changes in net assets 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 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 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.

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 AICPA. 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 accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

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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 accounting principles generally accepted in the United States of America.

KBL, LLP

KBL, LLP
New York, NY
March 28, 2017

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
(A NOT-FOR-PROFIT CORPORATION)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016**

Assets	
Current assets	
Cash	\$ 16,986
Accounts receivable	113,308
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Total current assets	130,294
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Other assets	
Security deposits	1,300
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Total other assets	1,300
<hr/>	
Total assets	\$ 131,594

Liabilities and Net Assets	
Current liabilities	
Accounts payable and accrued expenses	\$ 6,847
Bank line of credit	23,500
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Total current liabilities	30,347
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Total liabilities	30,347
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Net assets	
Unrestricted	\$ 101,247
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Total net assets	101,247
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Total liabilities and net assets	\$ 131,594

See accompanying notes and independent accountant's review report.

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
 DEVELOPMENT CORPORATION
 (A NOT-FOR-PROFIT CORPORATION)
 STATEMENT OF ACTIVITIES
 AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED
 JUNE 30, 2016**

	Total
Support and revenue	
Grants and contributions	\$ 405,096
Special events (net of direct costs of \$72,046)	78,128
Interest income	16
Total support and revenue	483,240
Expenses	
Management and general	60,425
Program services	496,472
Total expenses	556,897
Changes in net assets	(73,657)
Net assets, beginning of year	(18,304)
Prior period adjustments	193,208
Net assets, end of year	\$ 101,247

See accompanying notes and independent accountant's review report.

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED
JUNE 30, 2016**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total Expenses</u>
Salaries	\$ 106,524	\$ 4,687	\$ 111,211
Employee benefits and payroll taxes	13,753	2,733	16,486
Bank and finance charges	-	2,116	2,116
Insurance	-	3,820	3,820
Legal and professional fees	30,898	8,250	39,148
Newsletter and communications	9,700	-	9,700
Promotional materials	14,000	2,070	16,070
Miscellaneous	-	3,292	3,292
Office space	19,900	7,200	27,100
Office supplies and expenses	-	1,378	1,378
Postage and shipping	-	1,820	1,820
Repairs and maintenance	2,238	5,297	7,535
Telephone and internet services	635	1,252	1,887
Utilities	-	5,380	5,380
Travel and meetings	-	10,037	10,037
Program expenses	226,778	-	226,778
Events costs	72,046	-	72,046
Dues and subscriptions	-	1,093	1,093
	<u>\$ 496,472</u>	<u>\$ 60,425</u>	<u>\$ 556,897</u>

See accompanying notes and independent accountant's review report.

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
(A NOT-FOR-PROFIT CORPORATION)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
JUNE 30, 2016**

Cash flows from operating activities	
Change in net assets	\$ (73,657)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Prior period adjustments	193,208
Changes in operating assets and liabilities	
Increase in accounts receivable	(113,308)
Decrease in security deposits	700
Increase in accounts payable and accrued expenses	5,577
Net cash provided by operating activities	12,520
Cash flows from financing activities	
Proceeds from line of credit payable	500
Net cash provided by financing activities	500
Increase in cash	13,020
Cash, beginning of year	3,966
Cash, end of year	\$ 16,986

Supplementary disclosures of cash flow information

Cash paid during the year for:	
Interest expense and finance charges	\$ 1,598

See accompanying notes and independent accountant's review report.

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
(A NOT-FOR-PROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1. THE ORGANIZATION

Kingsbridge-Riverdale-Van Cortlandt Development Corporation (“the Organization”) was incorporated in 1981 as a voluntary not-for-profit organization. The Organization’s mission is to encourage and support local initiatives that will build and enrich our community through social, cultural, environmental, health, housing, educational and business enterprises. Our target area is the business and residential community comprised of Kingsbridge, Kingsbridge Heights, Marble Hill, Riverdale, Spuyten Duyvil, Fieldston, Woodlawn and Van Cortlandt Village. The Organization expands its work to other programs and communities when appropriate.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Classification of net assets

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily and permanently restricted. They are described as follows:

Unrestricted net assets -- Consists of assets that are neither permanently nor temporarily restricted by donor-imposed stipulations.

Temporarily restricted net assets -- Consists of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization. The temporarily restricted assets include all revenues and contributions designated for program activities.

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
(A NOT-FOR-PROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification of new assets (continued)

Permanently restricted net assets -- Consists of assets whose use by the Organization is subject to donor-imposed stipulations that the funds be maintained in perpetuity and only the interest earned from the investment of such funds may be released from restrictions and used in the Organization's operations.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates market value.

Income taxes

The Organization is a tax-exempt organization under Section 501 (c) (3) of the Internal Revenue Code. Therefore, there is no provision for income taxes.

The Organization has no unrecognized tax benefits at June 30, 2016. The Organization's Federal and State tax returns prior to fiscal year 2013 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

Revenue recognition

Contributions are recognized when the donor makes a promise to give to the Organization an amount that is, in substance, unconditional. 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.

See independent accountant's review report.

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
(A NOT-FOR-PROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated materials and services

In-kind contributions are reflected as revenue and expense in the accompanying statement of activities at their estimated fair market value on the date of receipt.

Fair value of financial instruments

The fair value of financial instruments classified as current assets or liabilities approximate their carrying value due to the short-term maturity of the instruments.

Fundraising event

Fundraising event revenue and expenses are recognized in the period of the event. Fundraising event income received in advance of the event is recorded as deferred revenue and related costs expended prior to the event are recorded as prepaid expenses.

Deferred revenue

Income from programs is deferred and recognized over the periods to which the programs relate.

Fundraising event

Fundraising event revenue and expenses are recognized in the period of the event. Fundraising event income received in advance of the event is recorded as deferred revenue and related costs expended prior to the event are recorded as prepaid expenses.

Government contracts

Revenue from government contracts is recognized when reimbursable expenses are incurred under the terms of the contract. Contract payments in excess of qualified expenses are accounted for as contract advances.

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
(A NOT-FOR-PROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and contributions

The Organization reports grants and contributions of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets. When a donor's restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Functional allocation of expenses

The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the statement of activities and changes in net assets, which included all expenses incurred for the year. Accordingly, certain costs have been allocated among the programs and other activities benefited. Such allocations are determined by management in accordance with grant provisions and/or other equitable bases.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year's financial statement presentation.

Recently issued accounting pronouncements

The Organization does not believe that any recently issued, but not yet effective accounting pronouncements, if adopted, would have a significant effect to the accompanying financial statements.

Subsequent events

The Organization evaluated events occurring between the end of its fiscal year, June 30, 2016, and March 28, 2017 when the financial statements were issued.

**KINGSBRIDGE-RIVERDALE-VAN CORTLANDT
DEVELOPMENT CORPORATION
(A NOT-FOR-PROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 3 – OPERATING LEASE

On August 1, 2013, the Organization extended the existing lease (dated August 1, 2008) that expired in July, 2013, for its office facilities under a lease extension agreement for three-year lease. The Organization discontinued the lease and vacated the space without any termination fees in January 2016. In February 2016, the Organization moved into new office space effective February 1, 2016, and this arrangement is to expire on January 31, 2019.

Rent expense for the year ended June 30, 2016 amounted to \$23,834.

Under the above lease agreement, at June 30, 2016, the Organization's future commitments are as follows:

Year ending June 30,

2017	\$15,795
2018	\$16,248
2019	\$9,625

NOTE 4 – LINE OF CREDIT PAYABLE

On September 2014, the Organization signed a \$25,000 line of credit which is payable on demand. At June 30, 2016, \$23,500 was outstanding on the line of credit and the interest rate was 6.29%.

The Organization incurred \$1,598 of interest expense for the year ended June 30, 2016.

NOTE 5 – PRIOR PERIOD ADJUSTMENTS

Subsequent to the issuance of the Organization's June 30, 2015 tax return, the Organization's management discovered that recognized revenue was not always properly recorded in the prior year due to the timing and acceptance of the grants by the grantor or grant funders. Due to the fact that grants were recorded properly in the prior year, the net assets as of June 30, 2015 were understated by \$193,208, and were then adjusted to reflect such transactions as prior period adjustments.