

New York Collaborates for Autism, Inc.

Financial Report
December 31, 2015

Contents

Independent Auditor's Report	1
<hr/>	
Financial Statements	
Statements of financial position	2
Statements of activities	3
Statements of functional expenses	4
Statements of cash flows	5
Notes to financial statements	6-10



Independent Auditor's Report

RSM US LLP

To the Board of Directors
New York Collaborates for Autism, Inc.
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of New York Collaborates for Autism, Inc. (NYCA), which comprise the statements of financial position as of December 31, 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 (collectively, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New York Collaborates for Autism, Inc. as of December 31, 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.

RSM US LLP

New York, New York
July 26, 2016

New York Collaborates for Autism, Inc.

Statements of Financial Position
December 31, 2015 and 2014

	2015	2014
Assets		
Cash and Cash Equivalents	\$ 4,724,829	\$ 3,303,345
Contributions and Pledges Receivable, Net of Discount	205,644	365,172
Prepaid Expenses	16,836	42,228
Fixed Assets, Net	18,594	14,682
Total assets	\$ 4,965,903	\$ 3,725,427
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 26,301	\$ 21,873
Deferred revenue	25,000	845,545
Grants payable, net of discount	1,517,732	2,335,539
Total liabilities	1,569,033	3,202,957
Net Assets		
Unrestricted	3,001,640	431,752
Temporarily restricted	395,230	90,718
Total net assets	3,396,870	522,470
Total liabilities and net assets	\$ 4,965,903	\$ 3,725,427

See Notes to Financial Statements.

New York Collaborates for Autism, Inc.

Statements of Activities

Years Ended December 31, 2015 and 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues, Gains and Other Support						
Contributions	\$ 408,228	\$ 1,771	\$ 409,999	\$ 521,373	\$ 122,058	\$ 643,431
Special event	5,209,902	362,430	5,572,332	-	-	-
Less direct cost of special event	(346,154)	-	(346,154)	-	-	-
In-kind contributions	512,988	-	512,988	128,545	-	128,545
Interest income and other	221	-	221	349	-	349
Net assets released from restrictions	59,689	(59,689)	-	1,159,208	(1,159,208)	-
Total revenues, gains and other support	5,844,874	304,512	6,149,386	1,809,475	(1,037,150)	772,325
Expenses						
Program services:						
Research, education and community services	2,697,067	-	2,697,067	2,462,562	-	2,462,562
Supporting services:						
Management and general	253,562	-	253,562	203,052	-	203,052
Fund-raising	324,357	-	324,357	158,578	-	158,578
Total supporting services	577,919	-	577,919	361,630	-	361,630
Total expenses	3,274,986	-	3,274,986	2,824,192	-	2,824,192
Change in net assets	2,569,888	304,512	2,874,400	(1,014,717)	(1,037,150)	(2,051,867)
Net Assets						
Beginning	431,752	90,718	522,470	1,446,469	1,127,868	2,574,337
Ending	\$ 3,001,640	\$ 395,230	\$ 3,396,870	\$ 431,752	\$ 90,718	\$ 522,470

New York Collaborates for Autism, Inc.

Statements of Functional Expenses
Years Ended December 31, 2015 and 2014

	2015				2014			
	Program Services	Supporting Services			Program Services	Supporting Services		
	Research, Education and Community Services	Management and General	Fund-Raising	Total	Research, Education and Community Services	Management and General	Fund-Raising	Total
Expenses								
Grants	\$ 1,953,912	\$ -	\$ -	\$ 1,953,912	\$ 1,591,601	\$ -	\$ -	\$ 1,591,601
Salaries	445,930	112,072	59,630	617,632	463,144	106,633	56,025	625,802
Payroll taxes	63,805	16,036	8,531	88,372	44,405	10,241	5,381	60,027
Professional fees	120,501	77,009	81,282	278,792	147,206	66,809	67,511	281,526
Occupancy	22,743	5,716	3,041	31,500	23,302	5,374	2,824	31,500
Insurance	8,471	2,129	1,133	11,733	9,381	2,164	1,137	12,682
Telephone (and online services)	2,460	436	462	3,358	2,972	377	302	3,651
Supplies	1,750	2,265	858	4,873	1,592	2,392	594	4,578
Postage, printing, and publications	1,430	1,477	30,883	33,790	1,975	242	11,337	13,554
Credit card and other bank fees	2,123	350	33,276	35,749	13,549	3,599	1,618	18,766
Advertising	91	114	8,612	8,817	792	-	52	844
Travel	38,053	-	18,735	56,788	41,569	-	4,140	45,709
Payroll processing fees	3,812	958	510	5,280	3,547	818	430	4,795
Caterer, music and facility rental	4,277	-	61,958	66,235	36,125	-	407	36,532
Contributions	-	28,075	-	28,075	61,522	-	-	61,522
Depreciation	4,271	1,074	571	5,916	3,576	825	433	4,834
Database, website and webhosting	18,956	2,356	10,316	31,628	14,086	1,761	1,880	17,727
Dues and subscriptions	450	995	-	1,445	-	995	-	995
Miscellaneous	4,032	2,500	4,559	11,091	2,218	822	4,507	7,547
Subtotal	2,697,067	253,562	324,357	3,274,986	2,462,562	203,052	158,578	2,824,192
Direct cost of special events	-	-	346,154	346,154	-	-	-	-
Total expenses	\$ 2,697,067	\$ 253,562	\$ 670,511	\$ 3,621,140	\$ 2,462,562	\$ 203,052	\$ 158,578	\$ 2,824,192

See Notes to Financial Statements.

New York Collaborates for Autism, Inc.

Statements of Cash Flows
Years Ended December 31, 2015 and 2014

	2015	2014
Cash Flows From Operating Activities		
Change in net assets	\$ 2,874,400	\$ (2,051,867)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	5,916	4,834
Decrease (increase) in assets:		
Contributions and pledges receivable, net of discount	159,528	1,555,758
Prepaid expenses	25,392	(33,645)
(Decrease) increase in liabilities:		
Accounts payable and accrued expenses	4,428	(688)
Deferred revenue	(820,545)	845,545
Grants payable, net of discount	(817,807)	55,059
Net cash provided by operating activities	1,431,312	374,996
Cash Flows Used In Investing Activities - Fixed Asset Acquisitions	(9,828)	(3,892)
Net cash used in investing activities	(9,828)	(3,892)
Net increase in cash and cash equivalents	1,421,484	371,104
Cash and Cash Equivalents		
Beginning	3,303,345	2,932,241
Ending	\$ 4,724,829	\$ 3,303,345

See Notes to Financial Statements.

New York Collaborates for Autism, Inc.

Notes to Financial Statements

Note 1. Nature of Organization

New York Center for Autism Research and Education, Inc., established on August 30, 2002, is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. During 2012, New York Center for Autism Research and Education, Inc. changed the organization name to New York Collaborates for Autism, Inc. (NYCA).

NYCA strategically designs and launches innovative, one-of-a-kind programs to improve the lives of people living with Autism Spectrum Disorder (ASD). NYCA sees the possibilities for people with ASD and creates the path to achieve them.

Note 2. Summary of Significant Accounting Policies

Basis of presentation: The financial statements have been presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). NYCA presents its financial statements in accordance with Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. ASC 958 requires that NYCA's financial statements distinguish between unrestricted, temporarily restricted and permanently restricted net assets and changes in net assets. NYCA's net assets consist of the following:

Unrestricted: Unrestricted net assets include funds having no restriction as to the use, purpose or time imposed by donors.

Temporarily restricted: Temporarily restricted net assets are those assets whose use by NYCA has been limited by donors to a specific time period or purpose.

Permanently restricted net assets: Permanently restricted net assets resulting from contributions and other inflows of assets whose use by NYCA is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of NYCA. NYCA had no permanently restricted net assets as of December 31, 2015 and 2014.

Use of estimates: The preparation of financial statements in conformity with GAAP 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. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents: NYCA considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. Cash equivalents consist of money market accounts.

NYCA maintains cash in bank accounts which, at times, may exceed federally insured limits and potentially subjects NYCA to a concentration of credit risk. NYCA manages this risk by placing its cash in high-quality financial institutions. NYCA has not experienced any losses in such accounts.

Contributions and pledges receivable: Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the net present value of their estimated future cash flows using a borrowing rate. Amortization of the present value discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

New York Collaborates for Autism, Inc.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Contributions received or pledged are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or absence of donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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 statements of activities as net assets released from restrictions.

Allowance for doubtful accounts: NYCA determines whether an allowance for uncollectible accounts should be provided for contributions and pledges. Such estimates are based on management's assessment of the aged basis of its contributions and pledges and other factors, such as current economic conditions and historical information. Contributions and pledges receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. As of December 31, 2015 and 2014, NYCA had no allowance for doubtful accounts.

In-kind contributions and contributed services: NYCA recognizes contributions of services if they (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized.

In-kind contributions of goods are recognized at fair value at the date of donation.

Fixed assets: Fixed assets are capitalized at cost and are primarily comprised of office furniture and fixtures, and computer equipment. NYCA capitalizes all purchases of property and equipment in excess of \$500. Depreciation is provided the straight-line method over the following estimated useful lives of the assets:

	<u>(Years)</u>
Furniture and fixtures	7
Computer equipment	5

Grants payable: NYCA grants funds to other organizations for specific programs. Grants are recorded as an expense and a payable when approved by the grants committee and committed to the grantees. Subsequently all such grants are ratified by the board of directors. Grants payable in more than one year are recorded at the net present value of the expected future cash outflow, using a borrowing rate.

Functional expenses: The costs of providing NYCA's programs and other activities have been summarized on a functional basis. Expenses that can be identified for a specific program or supporting services are allocated directly. However, there are certain costs allocated among the programs and supporting services it benefited.

Income taxes: As an exempt organization, NYCA is subject to taxes on unrelated business income (UBIT), if applicable. For the years ended December 31, 2015 and 2014, NYCA did not owe any UBIT. NYCA is not classified as a private foundation. Management has evaluated NYCA's tax positions for all open tax years and has concluded that NYCA had taken no uncertain tax positions that require adjustments or disclosure to the financial statements.

New York Collaborates for Autism, Inc.

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Recently issued accounting pronouncement: In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, which requires that lessees to recognize right-of-use assets and lease liabilities for all leases not considered short-term leases. The ASU is effective for NYCA for the year ending December 31, 2019. The adoption of this standard is expected to result in NYCA recognizing right-of-use assets and lease liabilities for some leases currently accounted for as operating leases under the legacy lease accounting guidance. Management is evaluating the impact of this standard on NYCA's financial statements.

Reclassifications: For comparability, certain 2014 amounts were reclassified, where appropriate, to conform to the current year's presentation. These reclassifications had no effect on previously reported net assets or changes in net assets.

Subsequent events: NYCA evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the financial statements. Such evaluation is performed through July 26, 2016, the date that these financial statements were available to be issued.

Note 3. Contributions and Pledges Receivables, Net of Discount

Contributions and pledges receivables are as follows as of December 31:

	<u>2015</u>	<u>2014</u>
Amount due in less than one year	\$ 157,839	\$ 365,172
Due in one to five years	50,000	-
	<u>207,839</u>	365,172
Less discount to present value at a rate of 4.5%	(2,195)	-
	<u>\$ 205,644</u>	<u>\$ 365,172</u>

As of December 31, 2015 and 2014, approximately 65% and 69%, respectively, of the total contributions and pledges receivable balance were from two donors.

Approximately 27% and 16% of NYCA's total revenue, gains and other support were received from one contributor in 2015 and 2014, respectively.

Note 4. Special Events

NYCA plans a major fundraising event every year. The Night of Too Many Stars fundraising event (NOTMS) scheduled for late 2014 was postponed to February 28, 2015. The event accounted for approximately 92% of NYCA's total revenue, gains and other support for the year ended December 31, 2015. Revenue received in 2014 for NOTMS which amounted to \$845,545 were recorded as deferred revenue in the 2014 statement of financial position.

During 2015, the joint fundraising event with Autism Speaks, an unrelated non-profit was postponed to February 2016. Revenue received in 2015 for the event which amounted to \$25,000 was recorded as deferred revenue in the 2015 statements of financial position.

New York Collaborates for Autism, Inc.

Notes to Financial Statements

Note 5. Fixed Assets, Net

Fixed assets, net, consist of the following as of December 31:

	<u>2015</u>	<u>2014</u>
Computers and equipment	\$ 27,151	\$ 19,657
Furniture and fixtures	14,740	12,406
	<u>41,891</u>	<u>32,063</u>
Less accumulated depreciation	<u>(23,297)</u>	<u>(17,381)</u>
	<u>\$ 18,594</u>	<u>\$ 14,682</u>

Note 6. Grants Payable

NYCA has grant commitments through December 31, 2021 which are expected to be paid as follows:

Year Ending December 31,

2016	\$ 440,000
2017	240,000
2018	240,000
2019	240,000
2020	240,000
Thereafter	<u>229,414</u>
	1,629,414
Less discount to present value at rate of 3.4%	<u>(111,682)</u>
	<u>\$ 1,517,732</u>

Note 7. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of December 31:

	<u>2015</u>	<u>2014</u>
Westchester Neighborhood Network New York	\$ -	\$ 27,740
Train Our Teens	47,978	62,978
Community Connections	<u>347,252</u>	-
	<u>\$ 395,230</u>	<u>\$ 90,718</u>

New York Collaborates for Autism, Inc.

Notes to Financial Statements

Note 7. Temporarily Restricted Net Assets (Continued)

Net assets were released from restrictions due to the satisfaction of time and/or purpose restrictions during the years ended December 31, as follows:

	<u>2015</u>	<u>2014</u>
Westchester General	\$ 80	\$ 131,152
Westchester Neighborhood Network New York	28,740	22,260
Train Our Teens	15,000	206,496
Community Connections	15,178	-
Center for Autism and the Developing Brain	691	749,300
Project Search	-	50,000
	<u>\$ 59,689</u>	<u>\$ 1,159,208</u>

Westchester General fund can be used for any Westchester program, including Center for Autism and the Developing Brain and Project Search programs.

Note 8. Rent and Related Party Transactions

NYCA rents space from a corporation owned by a member of the board of directors. Rent paid to this corporation for the years ended December 31, 2015 and 2014, amounted to \$31,500 for both years. There is no formal lease agreement.

Note 9. In-Kind Contributions and Contributed Services

NYCA received in-kind contributions of \$512,988 and \$128,545 during the years ended December 31, 2015 and 2014, respectively. The in-kind contributions consist of:

	<u>2015</u>	<u>2014</u>
Legal services	\$ 101,739	\$ 128,545
Special event - Night of Too Many Stars	411,249	-
	<u>\$ 512,988</u>	<u>\$ 128,545</u>

Note 10. Employee Benefits

During 2015, NYCA participates in a tax-deferred annuity retirement plan under Section 401(k) of the Internal Revenue Code for the benefit of eligible employees. NYCA made a contribution of \$14,617 during the year ended December 31, 2015.

Note 11. Conditional Commitment

NYCA has made a conditional pledge to Neighborhood Network of New York (NNNY) to raise or give up to \$1,800,000 during the first three years of NNNY's operations, if NNNY is unable to raise or obtain sufficient funds on its own. In 2015, NYCA has granted NNNY \$315,618 against the conditional pledge of \$1,800,000. NNNY was established in the state of Delaware in 2014 to develop community living services for people with autism and related developmental disabilities. NYCA's president also serves as the board president of NNNY as an unpaid volunteer of NNNY. NYCA's board president, also known as the Board Chair, is different person and she serves as an unpaid volunteer.