

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
SEPTEMBER 30, 2020
WITH INDEPENDENT AUDITOR'S REPORT**

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.**

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
New York State Association of Black, Puerto Rican,
Hispanic & Asian Legislators, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of New York State Association of Black, Puerto Rican, Hispanic & Asian Legislators, Inc. (formerly known as New York State Association of Black and Puerto Rican Legislators, Inc.), which comprise the statements of financial position as of September 30, 2020, the related statements of activities and changes in net assets, functional expenses and cash flows for the year 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. Management is also responsible for design, implementation, and maintenance of internal control relevant to the preparation and fair representation of financial statement 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of risks of material misstatement of 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 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 State Association of Black, Puerto Rican, Hispanic & Asian Legislators, Inc. as of September 30, 2020, its statement of activities and changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in blue ink that reads "A. J. Johnson & Co., PLLC". The signature is written in a cursive style and is positioned above a horizontal line.

August 19, 2022
Hauppauge, New York

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2020**

ASSETS

CURRENT ASSETS

Cash	\$ 90,249
Accounts receivable	<u>30,000</u>
Total current assets	<u>120,249</u>

FIXED ASSETS, NET

Land	12,000
Building	188,000
Accumulated depreciation	<u>(125,725)</u>
Total fixed assets, net	<u>74,275</u>

TOTAL ASSETS \$ 194,524

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	<u>78,039</u>
Total current liabilities	<u>78,039</u>

NET ASSETS

Without donor restrictions	<u>116,484</u>
Total net assets	<u>116,484</u>

TOTAL LIABILITIES AND NET ASSETS \$ 194,524

See accompanying notes to financial statements.

**NEW YORK STATE ASSOCIATION OF BLACK,
 PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Without Donor Restrictions</u>
PUBLIC SUPPORT AND REVENUE	
Fundraising	\$ 702,691
Contribution	188,062
Rental income	<u>2,875</u>
Total Support and revenue	<u>893,628</u>
EXPENSES	
Program Services	437,505
Fundraising	266,769
Rental activity	15,066
Management and general	<u>187,362</u>
Total expenses	<u>906,702</u>
CHANGE IN NET ASSETS	(13,074)
NET ASSETS BEGINNING OF YEAR AS ADJUSTED	<u>129,558</u>
NET ASSETS END OF YEAR	<u>\$ 116,484</u>

See accompanying notes to financial statements.

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Program Services</u>	<u>Fundraising</u>	<u>Rental Activity</u>	<u>Management and General</u>	<u>Total</u>
Annual Convention					
Entertainment	\$ -	\$ 29,700	\$ -	\$ -	\$ 29,700
Catering services	123,232	123,232	-	-	246,464
Event coordinators	20,000	-	-	-	20,000
Event décor	10,956	8,246	-	-	19,202
Event venues	83,733	40,815	-	-	124,548
Equipment rental	8,075	8,075	-	-	16,150
Security	-	15,134	-	-	15,134
Printing	12,937	6,664	-	-	19,601
Event speakers/clergy expense	-	4,420	-	-	4,420
Youth summit	35,357	-	-	-	35,357
Transportation	-	4,375	-	-	4,375
Other	<u>11,108</u>	<u>11,108</u>	<u>-</u>	<u>-</u>	<u>22,216</u>
	305,398	251,769	-	-	557,167
Payroll expenses	42,720	-	-	42,720	85,440
Legal expenses	10,000	-	-	20,000	30,000
Scholarships	31,500	-	-	-	31,500
Travel and meeting	-	-	-	7,474	7,474
Internet, cable and telephone	-	-	-	2,433	2,433
Utilities	-	-	7,443	-	7,443
Accounting fees	12,500	-	-	19,250	31,750
Professional fees	16,000	15,000	-	48,205	79,205
Insurance	-	-	-	1,991	1,991
Depreciation	-	-	-	4,700	4,700
Property tax	-	-	5,258	-	5,258
Merchant fees	-	-	-	12,057	12,057
Office expense	-	-	-	4,263	4,263
Technology expense	9,781	-	-	9,781	19,562
Interest expense	-	-	-	3,002	3,002
Bank charges	-	-	-	1,880	1,880
Repairs and maintenance	-	-	2,365	-	2,365
Miscellaneous expenses	<u>9,606</u>	<u>-</u>	<u>-</u>	<u>9,606</u>	<u>19,212</u>
Total expenses	<u>\$ 437,505</u>	<u>\$ 266,769</u>	<u>\$ 15,066</u>	<u>\$ 187,362</u>	<u>\$ 906,702</u>

See accompanying notes to financial statements 69

CASH FLOWS FROM OPERATING ACTIVITIES:

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Change in net assets	\$ (53,074)
Adjustments to reconcile increase in net assets to cash provided by operating activities:	
Depreciation	4,700
Decrease (increase) in:	
Accounts receivable	(30,000)
Increase (decrease) in:	
Accounts payable and accrued expenses	<u>78,039</u>
Total Adjustments	<u>52,739</u>
Net cash provided by (used in) operating activities	<u>(334)</u>
NET INCREASE (DECREASE) IN CASH	(334)
CASH AT BEGINNING OF YEAR	<u>90,583</u>
CASH AT END OF YEAR	<u><u>\$ 90,249</u></u>

See accompanying notes to financial statements.

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.
SEPTEMBER 30, 2020**

NOTE 1: ORGANIZATION

New York State Association of Black, Puerto Rican, Hispanic & Asian Legislators, Inc. (formerly known as New York State Association of Black and Puerto Rican Legislators, Inc.; the Organization) is dedicated to engaging New York State residents, especially minority communities, in dialogue about issues and policies that are having an impact at any given time on their communities by providing information and tools and through presentation of issue-focused workshops. The Organization hosts annual conventions which provides an arena at which community service, educational advancement, community development, and economic development across the state is recognized. The Organization's fundamental purpose is to promote the common good, social and general welfare of the various people of the community; foster and maintain an interest in racial tolerance in the world; to encourage the development of the community and promote economic growth.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the organization's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

REVENUE

Revenue is primarily derived from the Organization's annual convention, which includes the annual gala, booth rentals from Business/Career Expo, luncheons and concert events. Revenue that includes annual convention, contributions, including unconditional promises to give, and rental income are recognized as revenue in the period received.

EXPENSES ALLOCATION

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities, which includes all expenses paid during the year. Accordingly, certain costs have been allocated among programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.
SEPTEMBER 30, 2020**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

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 grantor restrictions.

CASH

The Organization considers deposits that can be redeemed on demand and investments that have original maturities of less than three months, when purchased, to be cash equivalents. There are no cash equivalents as of September 30, 2020.

FIXED ASSETS

Fixed assets that the Organization retains title to and capital items purchased, which benefit future periods, are capitalized at cost.

Fixed assets are depreciated over the estimated useful lives of the assets using the straight-line method. Fixed assets consist of a two-story building that the Organization purchased in 1994, which is depreciated over the useful life of 40 years.

The Organization evaluates impairments on fixed assets, which are held for use, whenever events or circumstances indicate that impairment may exist. Management has determined that fixed assets were not impaired at September 30, 2020.

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.
SEPTEMBER 30, 2020**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

DONATED SERVICES

Donated services are recognized in circumstances when they create or enhance non-financial assets or where those services require specialized skills are provided by individuals possessing those skills.

Board members and other individuals volunteer their time and perform a variety of tasks that assist the Organization. These services have not been recorded in the financial statements because they do not meet the criteria for recognition as outlined above.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

INCOME TAXES

The Organization qualifies as charitable organizations as defined by Internal Revenue Code (IRC) Section 501(c)(3) and, accordingly, is exempt from Federal income tax under IRC Section 501(a). The Organization is also exempt from state and local income taxes.

U.S. GAAP requires management to evaluate uncertain tax positions taken by the Organization. The financial statement effects of a tax position are recognized when the position is more-likely-than-not, based on the technical merits, to be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization and has concluded that as of September 30, 2020, there were no uncertain tax positions taken or expected to be taken. The Organization has recognized no interest or penalties related to uncertain tax positions. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for years prior to 2016.

**NEW YORK STATE ASSOCIATION OF BLACK,
PUERTO RICAN, HISPANIC & ASIAN LEGISLATORS, INC.
SEPTEMBER 30, 2020**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

SUBSEQUENT EVENTS

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through August 19, 2022, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) pandemic. As a result, economic uncertainties have arisen which could negatively impact the activities of the Organization. Other financial impacts could occur though such potential implications are unknown at this time. No adjustments or provisions were made in these financial statements related to COVID-19.

NOTE 3: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consist of the cash balance of \$90,249 as of September 30, 2020. As a part of the Organization's liquidity management plan, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.