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
# TABLE OF CONTENTS

## FINANCIAL STATEMENTS

<table>
<thead>
<tr>
<th>Financial Statement</th>
<th>Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Auditor's Report</td>
<td>1-2</td>
</tr>
<tr>
<td>Statement of Financial Position</td>
<td>3</td>
</tr>
<tr>
<td>Statement of Activities</td>
<td>4</td>
</tr>
<tr>
<td>Statement of Functional Expenses</td>
<td>5</td>
</tr>
<tr>
<td>Statement of Cash Flows</td>
<td>6</td>
</tr>
<tr>
<td>Notes to Financial Statement</td>
<td>7-10</td>
</tr>
</tbody>
</table>
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.

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 30,000

Total current assets 120,249

FIXED ASSETS, NET
Land 12,000
Building 188,000
Accumulated depreciation (125,725)

Total fixed assets, net 74,275

TOTAL ASSETS $ 194,524

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES
Accounts payable and accrued expenses 78,039

Total current liabilities 78,039

NET ASSETS
Without donor restrictions 116,484

Total net assets 116,484

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

<table>
<thead>
<tr>
<th>Without Donor Restrictions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PUBLIC SUPPORT AND REVENUE</strong></td>
</tr>
<tr>
<td>Fundraising</td>
</tr>
<tr>
<td>Contribution</td>
</tr>
<tr>
<td>Rental income</td>
</tr>
<tr>
<td><strong>Total Support and revenue</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EXPENSES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
</tr>
<tr>
<td>Fundraising</td>
</tr>
<tr>
<td>Rental activity</td>
</tr>
<tr>
<td>Management and general</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>CHANGE IN NET ASSETS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>(13,074)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>NET ASSETS BEGINNING OF YEAR AS ADJUSTED</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>129,558</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>NET ASSETS END OF YEAR</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 116,484</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Annual Convention</th>
<th>Program Services</th>
<th>Fundraising</th>
<th>Rental Activity</th>
<th>Management and General</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entertainment</td>
<td>$</td>
<td>$29,700</td>
<td>$</td>
<td>$</td>
<td>$29,700</td>
</tr>
<tr>
<td>Catering services</td>
<td>123,232</td>
<td>123,232</td>
<td>-</td>
<td>-</td>
<td>246,464</td>
</tr>
<tr>
<td>Event coordinators</td>
<td>20,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,000</td>
</tr>
<tr>
<td>Event décor</td>
<td>10,956</td>
<td>8,246</td>
<td>-</td>
<td>-</td>
<td>19,202</td>
</tr>
<tr>
<td>Event venues</td>
<td>83,733</td>
<td>40,815</td>
<td>-</td>
<td>-</td>
<td>124,548</td>
</tr>
<tr>
<td>Equipment rental</td>
<td>8,075</td>
<td>8,075</td>
<td>-</td>
<td>-</td>
<td>16,150</td>
</tr>
<tr>
<td>Security</td>
<td>-</td>
<td>15,134</td>
<td>-</td>
<td>-</td>
<td>15,134</td>
</tr>
<tr>
<td>Printing</td>
<td>12,937</td>
<td>6,664</td>
<td>-</td>
<td>-</td>
<td>19,601</td>
</tr>
<tr>
<td>Event speakers/clergy expense</td>
<td>-</td>
<td>4,420</td>
<td>-</td>
<td>-</td>
<td>4,420</td>
</tr>
<tr>
<td>Youth summit</td>
<td>35,357</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>35,357</td>
</tr>
<tr>
<td>Transportation</td>
<td>-</td>
<td>4,375</td>
<td>-</td>
<td>-</td>
<td>4,375</td>
</tr>
<tr>
<td>Other</td>
<td>11,108</td>
<td>11,108</td>
<td>-</td>
<td>-</td>
<td>22,216</td>
</tr>
<tr>
<td></td>
<td>305,398</td>
<td>251,769</td>
<td>-</td>
<td>-</td>
<td>557,167</td>
</tr>
</tbody>
</table>

Payroll expenses                  | 42,720           | -           | -              | -                      | 42,720 |
Legal expenses                    | 10,000           | -           | -              | -                      | 20,000 |
Scholarships                      | 31,500           | -           | -              | -                      | 31,500 |
Travel and meeting                | -                | -           | -              | -                      | 7,474  |
Internet, cable and telephone    | -                | -           | -              | -                      | 2,433  |
Utilities                          | -                | -           | 7,443          | -                      | 7,443  |
Accounting fees                   | 12,500           | -           | -              | -                      | 19,250 |
Professional fees                 | 16,000           | 15,000      | -              | -                      | 48,205 |
Insurance                         | -                | -           | -              | -                      | 1,991  |
Depreciation                      | -                | -           | -              | -                      | 4,700  |
Property tax                      | -                | -           | 5,258          | -                      | 5,258  |
Merchant fees                      | -                | -           | -              | -                      | 12,057 |
Office expense                    | -                | -           | -              | -                      | 4,263  |
Technology expense                | 9,781            | -           | -              | -                      | 9,781  |
Interest expense                  | -                | -           | -              | -                      | 3,002  |
Bank charges                      | -                | -           | -              | -                      | 1,880  |
Repairs and maintenance           | -                | -           | 2,365          | -                      | 2,365  |
Miscellaneous expenses            | 9,606            | -           | -              | -                      | 9,606  |
Total expenses                    | $437,505         | $266,769    | $15,066        | $187,362               | $906,702|

See accompanying notes to financial statements69

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 78,039

Total Adjustments 52,739

Net cash provided by (used in) operating activities (334)

NET INCREASE (DECREASE) IN CASH (334)

CASH AT BEGINNING OF YEAR 90,583

CASH AT END OF YEAR $ 90,249

See accompanying notes to financial statements.
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.
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.
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.
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.