



AGING IN NEW YORK FUND, INC.

Audited Financial Statements

June 30, 2016

Independent Auditors' Report

To the Board of Directors of
Aging in New York Fund, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Aging in New York Fund, Inc. ("ANYF"), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, 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; 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.

Auditors' 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 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 auditors' 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 organization'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 organization'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.

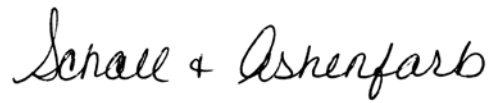
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Aging in New York Fund, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited ANYF's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 8, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Schall & Ashenfarb
Certified Public Accountants, LLC

October 19, 2016

AGING IN NEW YORK FUND, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2016
(With comparative totals as of June 30, 2015)

	<u>6/30/16</u>	<u>6/30/15</u>
Assets		
Cash and cash equivalents	\$170,288	\$349,061
Investments (Note 3)	223,043	223,116
Grants receivable	591,773	1,069,020
Prepaid expenses and other assets	4,433	4,775
Fixed assets, net (Note 4)	<u>8,460</u>	<u>11,250</u>
 Total assets	 <u><u>\$997,997</u></u>	 <u><u>\$1,657,222</u></u>
 Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	<u>\$396,782</u>	<u>\$872,627</u>
Total liabilities	<u><u>396,782</u></u>	<u><u>872,627</u></u>
Net assets:		
Unrestricted	333,458	333,825
Temporarily restricted (Note 5)	<u>267,757</u>	<u>450,770</u>
Total net assets	<u><u>601,215</u></u>	<u><u>784,595</u></u>
 Total liabilities and net assets	 <u><u>\$997,997</u></u>	 <u><u>\$1,657,222</u></u>

The attached notes and auditors' report are an integral part of these financial statements.

AGING IN NEW YORK FUND, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016
(With comparative totals for the year ended June 30, 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 6/30/16</u>	<u>Total 6/30/15</u>
Public support and revenue:				
Government grants	\$734,402		\$734,402	\$1,100,886
Contributions	35,465	\$41,876	77,341	331,202
Investment income (Note 3)	378		378	520
In-kind contributions (Note 7)	401,776		401,776	433,961
Other income			0	2,743
Net assets released from restrictions	224,889	(224,889)	0	0
	<u>1,396,910</u>	<u>(183,013)</u>	<u>1,213,897</u>	<u>1,869,312</u>
Total public support and revenue				
Expenses:				
Program services	1,185,046		1,185,046	1,521,710
Supporting services:				
Management and general	174,460		174,460	268,374
Fundraising	37,771		37,771	34,634
	<u>1,397,277</u>	<u>0</u>	<u>1,397,277</u>	<u>1,824,718</u>
Total expenses				
Change in net assets	(367)	(183,013)	(183,380)	44,594
Net assets - beginning	<u>333,825</u>	<u>450,770</u>	<u>784,595</u>	<u>740,001</u>
Net assets - ending	<u>\$333,458</u>	<u>\$267,757</u>	<u>\$601,215</u>	<u>\$784,595</u>

The attached notes and auditors' report are an integral part of these financial statements.

AGING IN NEW YORK FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016
(With comparative totals for the year ended June 30, 2015)

	<u>Supporting Services</u>			<u>Total 6/30/16</u>	<u>Total 6/30/15</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>		
Salaries (including in-kind)(Note 7)	\$247,247	\$58,921	\$24,224	\$330,392	\$309,503
Payroll taxes and benefits (including in-kind)(Note 7)	90,118	21,476	8,829	120,423	110,709
Grant expenses	582,955			582,955	1,014,605
Professional fees (including in-kind)(Note 7)	135,044	69,868		204,912	207,963
Occupancy (in-kind)(Note 7)	24,443	5,825	2,395	32,663	34,838
Conferences and volunteer incentives			858	858	1,723
Special projects	90,289			90,289	102,463
Office expenses (including in-kind)(Note 7)	10,960	4,548	1,073	16,581	20,457
Equipment rental (including in-kind)(Note 7)	201	47	20	268	1,844
Travel	1,701	405	167	2,273	4,442
Miscellaneous				0	3,458
Depreciation	2,088	497	205	2,790	1,800
Insurance		12,873		12,873	10,913
Total expenses	\$1,185,046	\$174,460	\$37,771	\$1,397,277	\$1,824,718

The attached notes and auditors' report are an integral part of these financial statements.

AGING IN NEW YORK FUND, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016
(With comparative totals for the year ended June 30, 2015)

	<u>6/30/16</u>	<u>6/30/15</u>
Cash flows from operating activities:		
Change in net assets	(\$183,380)	\$44,594
Adjustments to reconcile change in net assets to net cash used for operating activities:		
Depreciation	2,790	1,800
Unrealized loss on investments	95	245
Changes in assets and liabilities:		
Grants receivable	477,247	(910,326)
Prepaid expenses and other assets	342	8,661
Accounts payable and accrued expenses	<u>(475,845)</u>	<u>808,027</u>
Total adjustments	<u>4,629</u>	<u>(91,593)</u>
Net cash used for operating activities	<u>(178,751)</u>	<u>(46,999)</u>
 Cash flows from investing activities:		
Purchase of fixed assets	0	(4,950)
Purchases of investments (including reinvestment of investment income)	<u>(22)</u>	<u>(23)</u>
Net cash used for investing activities	<u>(22)</u>	<u>(4,973)</u>
 Net decrease in cash and cash equivalents	(178,773)	(51,972)
 Cash and cash equivalents - beginning of year	<u>349,061</u>	<u>401,033</u>
 Cash and cash equivalents - end of year	<u><u>\$170,288</u></u>	<u><u>\$349,061</u></u>
 Interest and taxes paid	<u><u>\$0</u></u>	<u><u>\$0</u></u>

The attached notes and auditors' report are an integral part of these financial statements.

AGING IN NEW YORK FUND, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

Note 1 - Organization

The Aging in New York Fund, Inc. ("ANYF") is dedicated to enhancing the quality of life for older New Yorkers and their families. ANYF's vital efforts are to create an age friendly New York focus on maintaining NYC's status as the best place to grow old, identifying cutting edge innovative pilot programming to fill critical gaps in the aging services continuum, and providing fiscal and administrative support to other NYC non-profits.

The Internal Revenue Service has determined that ANYF is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. They have not been designated as a private foundation.

Note 2 - Significant Accounting Policies

a. Basis of Accounting

The financial statements of ANYF have been prepared on the accrual basis of accounting which is the process of recording revenue and expenses when earned or incurred, rather than when received or paid.

b. Basis of Presentation

ANYF reports information regarding its financial position and activities according to the following classes of net assets:

- *Unrestricted* – represents all activity without donor imposed restrictions as well as activity with donor imposed restrictions that expire within the same period.
- *Temporarily restricted* – accounts for activity based on specific donor restrictions that are expected to be satisfied by passage of time or performance of activities.
- *Permanently restricted* – represents those assets, which have been restricted by the donor and must remain intact, in perpetuity. There were no permanently restricted net assets at June 30, 2016 and 2015.

c. Revenue Recognition

Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor 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 statement of activities as net assets released from restriction. If a restricted donation is satisfied within the same period it has been received, it is recorded as unrestricted.

Conditional contributions are recognized when the conditions on which they depend are substantially met.

Grant awards are classified as refundable advances until expended for the purposes of the grants since they have traits that bear a closer resemblance to exchange transactions (purchase of services).

d. Cash and Cash Equivalents

ANYF considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents except for cash held with an investment custodian for long-term purposes.

e. Concentration of Credit Risk

Financial instruments that potentially subject ANYF to concentration of credit risk consist of cash, money market accounts, and investment securities which are placed with financial institutions that management deems to be creditworthy. At year end, balances were not in excess of insured amounts and ANYF has not experienced any losses due to bank failure.

The market value of investments is subject to fluctuation; however, management believes that the investment policy is prudent for the long-term welfare of ANYF.

f. Grants Receivables

Grants are recognized when they are considered unconditional in nature and are recorded at net realizable value if due in less than one year. At June 30, 2016 and 2015, all outstanding receivables were due within one year.

Management has reviewed all outstanding receivables for collectability and has determined that no allowance for doubtful accounts is needed.

g. Property and Equipment

Purchases of property and equipment that exceed predetermined amounts where ANYF retains title and that benefit future periods are capitalized at cost, or if donated, at the estimated fair value at the time of donation. Depreciation is charged using the straight-line method over the estimated useful life of the asset, which is typically five years.

h. Fair Value Measurements

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

i. In-Kind and Donated Services

In-kind contributions are recognized in circumstances where services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided in-kind. (See Note 7 for further details.)

Donated materials are recorded at fair value at the date of donation.

Many volunteers, including board members, provide service in support of ANYF's mission. Those services have not been recognized on the financial statements because they do not meet the criteria outlined above.

- j. Management Estimates
The preparation of financial statements in accordance 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. Actual results could differ from those estimates.
- k. Expense Allocation
The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the 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 ANYF.
- l. Contingencies
Government contracts are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves. Any disallowed costs would be recorded in the period notified if it is probable that a liability has been incurred.
- m. Accounting for Uncertainty of Income Taxes
ANYF does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending June 30, 2013 and later are subject to examination by applicable taxing authorities.
- n. Summarized Comparative Information
The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with ANYF's financial statements for the year ended June 30, 2015, from which the summarized information was derived.
- o. Subsequent Events
Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through October 19, 2016, 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.
- p. New Accounting Pronouncement
On August 18, 2016, the Financial Accounting Standards Board (FASB) issued an Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The ASU, which becomes effective for the June 30, 2019 year, with early implementation permitted, focuses on improving the current net asset classification requirements and information presented in financial statements and notes that is useful in assessing a not-for-profit's liquidity, financial performance and cash flows. ANYF has not yet evaluated the impact this will have on future statements.

Note 3 - Investments

Investments are recorded at fair value. Accounting standards establish a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. All investments were measured using Level 1 inputs, which are the quoted prices in active markets for identical assets.

The following summarizes the composition of investments:

	<u>6/30/16</u>	<u>6/30/15</u>
Money funds	\$198,033	\$198,109
Mutual funds – US Treasury	<u>25,010</u>	<u>25,007</u>
Total	<u>\$223,043</u>	<u>\$223,116</u>

Level 1 investments are valued at the closing price reported on the active market that they are traded on.

Investment income consists of:

	<u>6/30/16</u>	<u>6/30/15</u>
Unrealized loss on investments	(\$95)	(\$245)
Interest income	<u>473</u>	<u>765</u>
Total	<u>\$378</u>	<u>\$520</u>

Note 4 - Fixed Assets

Fixed assets consist of:

	<u>6/30/16</u>	<u>6/30/15</u>
Furniture, fixtures, and equipment	\$46,917	\$46,917
Less: accumulated depreciation	<u>(38,457)</u>	<u>(35,667)</u>
Fixed assets, net	<u>\$8,460</u>	<u>\$11,250</u>

Note 5 - Temporarily Restricted Net Assets

The following summarizes the changes in temporarily restricted net assets:

	<u>June 30, 2016</u>			
	<u>Balance</u>	<u>Restricted</u>	<u>Released</u>	<u>Balance</u>
	<u>7/1/15</u>	<u>Contributions</u>	<u>From</u>	<u>6/30/16</u>
			<u>Restrictions</u>	
Program restrictions:				
Foster Grandparents Program	\$44,557	\$0	\$0	\$44,557
Elderly Crime Victims and Open Door Program	76,644	0	(62,270)	14,374
ISC Exergames	8,104	0	(5,528)	2,576
Intergenerational	15,505	0	(3,505)	12,000
Grandparent Resource Center	12,339	0	0	12,339
Assigned Housing Counsel	14,073	0	(3,132)	10,941
City Meals on Wheels	0	12,876	0	12,876
Meals Programming	74,465	29,000	(25,870)	77,595
Fresh Food	161,606	0	(106,212)	55,394
Bill Payer Program	40,000	0	(14,895)	25,105
Other	<u>3,477</u>	<u>0</u>	<u>(3,477)</u>	<u>0</u>
Total program restrictions	<u>\$450,770</u>	<u>\$41,876</u>	<u>(\$224,889)</u>	<u>\$267,757</u>

	June 30, 2015			
	Restricted 7/1/14	From Contributions	Released Balance Restrictions	6/30/15
Program restrictions:				
Foster Grandparents Program	\$44,557	\$0	\$0	\$44,557
Elderly Crime Victims and Open Door Program	37,751	84,133	(45,240)	76,644
ISC Exergames	9,095	0	(991)	8,104
Intergenerational	15,651	4,454	(4,600)	15,505
Grandparent Resource Center	12,339	0	0	12,339
Assigned Housing Counsel	7,166	10,000	(3,093)	14,073
Vision Coalition	68,217	0	(68,217)	0
Meals Programming	82,933	0	(8,468)	74,465
Fresh Food	127,329	150,000	(115,723)	161,606
Bill Payer Program	0	40,000	0	40,000
Other	<u>6,228</u>	<u>0</u>	<u>(2,751)</u>	<u>3,477</u>
Total program restrictions	<u>\$411,266</u>	<u>\$288,587</u>	<u>(\$249,083)</u>	<u>\$450,770</u>

Note 6 - Related Party Transactions

The Commissioner for New York City's Department for the Aging ("DFTA") serves as ANYF's President and Acting Chair, and Deputy Commissioner for DFTA serves as ANYF's Acting Executive Director and Secretary and Chair, Planning Committee. DFTA provided various in-kind contributions to ANYF which are described in Note 7 below.

Note 7 - In-Kind Contributions

In-kind contributions were allocated as follows:

	June 30, 2016			
	<u>Program</u>	Management and <u>General</u>	<u>Fundraising</u>	<u>Total</u>
Provided by DFTA:				
Salaries	\$148,517	\$58,921	\$24,224	\$231,662
Payroll taxes and benefits	83,388	19,872	8,170	111,430
Professional fees	0	7,414	0	7,414
Occupancy	24,443	5,825	2,395	32,663
Office expenses	905	215	89	1,209
Equipment rental	<u>200</u>	<u>48</u>	<u>20</u>	<u>268</u>
Total in-kind from DFTA	257,453	92,295	34,898	384,646
Provided by other donors:				
Professional fees	<u>0</u>	<u>17,130</u>	<u>0</u>	<u>17,130</u>
Total in-kind contributions	<u>\$257,453</u>	<u>\$109,425</u>	<u>\$34,898</u>	<u>\$401,776</u>

	June 30, 2015			
	Management and			
	<u>Program</u>	<u>General</u>	<u>Fundraising</u>	<u>Total</u>
Provided by DFTA:				
Salaries	\$129,507	\$48,113	\$21,010	\$198,630
Payroll taxes and benefits	74,203	14,852	6,486	95,541
Professional fees	0	6,502	0	6,502
Occupancy	27,057	5,416	2,365	34,838
Office expenses	6,088	1,219	532	7,839
Equipment rental	<u>387</u>	<u>78</u>	<u>34</u>	<u>499</u>
Total in-kind from DFTA	237,242	76,180	30,427	343,849
Provided by other donors:				
Professional fees	<u>0</u>	<u>90,112</u>	<u>0</u>	<u>90,112</u>
Total in-kind contributions	<u>\$237,242</u>	<u>\$166,292</u>	<u>\$30,427</u>	<u>\$433,961</u>

Note 8 - Significant Concentrations

ANYF received one large government grant from the New York State Office for the Aging that totaled \$734,402 and \$1,100,886 representing approximately 61% and 59% of total public support and revenue during the years ended June 30, 2016 and 2015, respectively. Additionally, ANYF contracted with one sub-recipient to perform services for this grant. Total expenses incurred were \$ 575,259 and \$814,176, representing approximately 42% and 45% of the total expenses for the years ended June 30, 2016 and 2015, respectively.