

BRANDWORKERS INTERNATIONAL, INC.
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REVIEW REPORT
DECEMBER 31, 2012 AND 2011

TYRONE ANTHONY SELLERS
Certified Public Accountant

BRANDWORKERS INTERNATIONAL, INC.

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

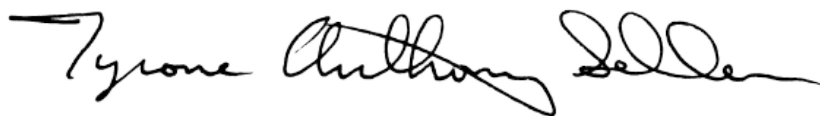
To the Board of Directors
Brandworkers International, Inc.
New York, New York

I have reviewed the accompanying statement of financial position of Brandworkers International, Inc. as of December 31, 2012 and 2011 and the related statements of activities and change in net assets, functional expenses and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company 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, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



St. Albans, New York
November 15, 2013

BRANDWORKERS INTERNATIONAL, INC.

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash - Checking account	\$ 9,581	\$ 49,510
Cash - PayPal account	<u>39,844</u>	<u>15,896</u>
Total Current Assets	<u>49,425</u>	<u>65,406</u>
Total Assets	<u>\$ 49,425</u>	<u>\$ 65,406</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts payable	<u>\$ 1,850</u>	<u>\$ 2,590</u>
Total Liabilities	<u>1,850</u>	<u>2,590</u>
<u>Net Assets</u>		
Unrestricted Net Assets	<u>47,575</u>	<u>62,816</u>
Total Net Assets	<u>47,575</u>	<u>62,816</u>
Total Liabilities and Net Assets	<u>\$ 49,425</u>	<u>\$ 65,406</u>

See Independent Accountant's Review Report.

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BRANDWORKERS INTERNATIONAL, INC.
 STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
 FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Total <u>2012</u>	Total <u>2011</u>
<u>Support and Revenue</u>				
Corporate and foundation contributions	\$ 150,000	\$ -	\$ 150,000	\$ 96,450
Individual contributions	71,224	—	71,224	31,046
Legal fee income	-	—	—	11,232
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal Support and Revenue	221,224	—	221,224	138,728
Net Assets Released from Restrictions	<hr/>	<hr/>	<hr/>	<hr/>
	—	—	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Support and Revenue	221,224	—	221,224	138,728
 <u>Expenses</u>				
<u>Program Services</u>				
Workforce Assistance Program	236,465	—	236,465	158,733
	<hr/>	<hr/>	<hr/>	<hr/>
Total Program Services	236,465	—	236,465	158,733
 <u>Supporting Services</u>				
Fund Raising	-	—	-	6,691
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	236,465	—	236,465	165,424
Change in net assets	(15,241)	—	(15,241)	(26,696)
Unrestricted Net Assets at beginning of year	<hr/>	<hr/>	<hr/>	<hr/>
	62,816	—	62,816	89,512
Unrestricted Net Assets at end of year	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 47,575	\$ -	\$ 47,575	\$ 62,816
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See Independent Accountant's Review Report.

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BRANDWORKERS INTERNATIONAL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	Workforce Assistance Program	Fund Raising	<u>2012</u> Total Expenses	<u>2011</u> Total Expenses
Salaries	\$ 104,933	\$ -	\$ 104,933	\$ 23,400
Payroll taxes & fringes	39,178	—	39,178	1,321
Consulting	38,832	—	38,832	57,470
Accounting	1,850	—	1,850	2,590
Office expenses	3,516	—	3,516	2,641
Rent expense	17,775	—	17,775	8,750
Insurance	1,726	—	1,726	366
Printing	4,541	—	4,541	-
Emergency relief	—	—	-	2,446
Survey	—	—	-	1,561
Meeting expenses	5,704	—	5,704	4,988
Travel and training	4,304	—	4,304	4,041
Equipment and maintenance	1,010	—	1,010	2,238
Miscellaneous	947	—	947	1,229
Program stipends	—	—	-	45,692
Annual dinner	—	—	-	6,691
Events and conferences	12,149	—	12,149	-
	<u>12,149</u>	<u>—</u>	<u>12,149</u>	<u>-</u>
Total	<u>\$ 236,465</u>	<u>\$ -</u>	<u>\$ 236,465</u>	<u>\$ 165,424</u>

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BRANDWORKERS INTERNATIONAL, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
<u>Cash Flows From Operating Activities</u>		
Change in net assets	<u>\$ (15,241)</u>	<u>\$ (26,696)</u>
<u>Adjustments to reconcile change in net assets</u> <u>to net cash used in operating activities</u>		
(Decrease)/increase in accounts payable	<u>(740)</u>	<u>2,590</u>
Total adjustments	<u>(740)</u>	<u>2,590</u>
Net cash used in operating activities	<u>(15,981)</u>	<u>(24,106)</u>
Net decrease in cash	(15,981)	(24,106)
Cash balance at beginning of year	<u>65,406</u>	<u>89,512</u>
Cash balance at end of year	<u><u>\$ 49,425</u></u>	<u><u>\$ 65,406</u></u>
<u>Supplemental Disclosure of Cash Flow Information</u>		
Cash paid for interest	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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BRANDWORKERS INTERNATIONAL, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2012

Note 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Brandworkers International, Inc. (“Brandworkers”) was incorporated under Section 402 of the Not-For-Profit Corporation Law of the State of New York on April 22, 2009. Brandworkers was incorporated for the purposes of assisting retail, food and allied workers to assert their rights and improve the living and working conditions of workers and their families.

The following is a summary of the significant accounting policies of Brandworkers.

Basis of Accounting – The accompanying financial statements were prepared on the accrual basis of accounting.

Equipment – Equipment purchases are capitalized and depreciated using the straight-line method over the estimated useful lives of the equipment. Equipment purchased with government contracts are expenses in the year purchased.

Income Tax – Brandworkers United is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. Brandworkers has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. Periods ending December 31, 2009 and subsequent remain subject to examination by applicable taxing authorities.

Revenue – Brandworkers’ revenue relating to contributions received, including unconditional promises to give, are recognized as revenue in the period received at their fair values and the organization distinguishes such contributions received for each net asset category in accordance with donor-imposed restrictions.

Financial Statement Presentation – Brandworkers’ financial statements adhere to the established standards for external financial statements provided by not-for-profit organizations which require that resources be classified for accounting and reporting purposes into three classes of net assets - permanently restricted, temporarily restricted, and unrestricted.

Functional Expense – Brandworkers allocates its expenses on a functional basis among its various programs. Expenses that can be identified with a specific program are charged directly to the particular program according to their natural expense classification.

Subsequent events – Subsequent events have been evaluated through November 15, 2013, which is the date the financial statements were available to be issued.

Cash and Cash Equivalents – Brandworkers maintains its cash in bank deposit accounts which at times may exceed federally insured limits. Brandworkers has not experienced any losses in such accounts. Brandworkers believes it is not exposed to any significant credit risk on cash. For financial statement purposes, Brandworkers considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles 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.

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NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2012

Note 2 – CORPORATE AND FOUNDATION CONTRIBUTIONS

Corporate contributions for the years ended December 31, 2012 and 2011 were as follows:

	<u>2012</u>	<u>2011</u>
New York Foundation	\$ 22,500	\$ 43,950
Food chain Workers Alliance	-0-	7,500
New York Community Trust	-0-	20,000
Union Square Awards	25,000	-0-
Mertz Gilmore	40,000	-0-
Ben & Jerry's Foundation	10,000	-0-
Tidescenter	25,000	-0-
North Star Fund	<u>27,500</u>	<u>25,000</u>
Total Grant Income	<u>\$ 150,000</u>	<u>\$ 96,450</u>

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