# BRANDWORKERS INTERNATIONAL, INC

# FINANCIAL STATEMENTS

# DECEMBER 31, 2014

BRANDWORKERS INTERNATIONAL, INC

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# 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. (a nonprofit organization) as of December 31, 2014, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization 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.

Paul Soobryan

New York, New York
April 17, 2015

BRANDWORKERS INTERNATIONAL, INC
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2014

Assets

| | | |
|---|---|---|
| Cash and cash equivalent | $ | 84,531 |
| Grants receivable | | 10,429 |
| Total assets | $ | 94,960 |

Liability and Net Assets

| | | |
|---|---|---|
| **Liability** | | |
| Accounts payable and accrued expenses | $ | 4,738 |
| | | |
| **Net Assets** | | |
| Unrestricted | | 48,117 |
| Temporarily restricted | | 42,105 |
| Total | | 90,222 |
| | | |
| Total liability and net assets | $ | 94,960 |

See accompanying accountant's review report dated April 17, 2015.
See accompanying notes to financial statements.

BRANDWORKERS INTERNATIONAL, INC
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

| | Unrestricted | Temporarily Restricted | Total |
|---|---|---|---|
| Revenue and supports | | | |
| Grants and contributions | $ 127,471 | 109,287 | 236,758 |
| LWC grants | | 58,287 | 58,287 |
| Fundraising event - net | 65,538 | | 65,538 |
| Sublease | 2,960 | | 2,960 |
| Others | 858 | | 858 |
| Sub-total | 196,827 | 167,574 | 364,401 |
| Release from restriction: Satisfaction of program restriction | 150,469 | (150,469) | - |
| Total revenue | 347,296 | 17,105 | 364,401 |
| Expenses | | | |
| Program services | 281,615 | | 281,615 |
| General and administration | 15,830 | | 15,830 |
| Fundraising | 27,024 | | 27,024 |
| Total expenses | 324,469 | | 324,469 |
| Change in net assets | 22,827 | 17,105 | 39,932 |
| Net assets at beginning of year (unrestricted) | 25,290 | 25,000 | 50,290 |
| Net assets at end of year (unrestricted) | 48,117 | 42,105 | $ 90,222 |

See accompanying accountant's review report dated April 17, 2015.
See accompanying notes to financial statements.

BRANDWORKERS INTERNATIONAL, INC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014

| | Programs | General and Administrative | Fundraising | Total |
|---|---|---|---|---|
| Salaries | $ 163,039 | 3,500 | 14,000 | 180,539 |
| Payroll taxes and fringes | 31,856 | 765 | 3,059 | 35,680 |
| Total personnel | 194,895 | 4,265 | 17,059 | 216,219 |
| Professionals and contractors | 4,722 | 4,134 | 1,258 | 10,114 |
| Office supplies and expenses | 1,638 | 152 | 528 | 2,318 |
| Events and meetings | 1,868 | | 214 | 2,082 |
| Occupancy | 17,027 | 4,509 | 6,842 | 28,378 |
| Program expenses - LWC | 57,682 | | | 57,682 |
| Dues, fees and subscription | 104 | | 978 | 1,082 |
| Postage and shipping | 436 | 145 | 145 | 726 |
| Printing and copying | 1,829 | | | 1,829 |
| Program collateral | 797 | | | 797 |
| Travel | 617 | | | 617 |
| Depreciation | | 2,625 | | 2,625 |
| Total expenses | $ 281,615 | 15,830 | 27,024 | 324,469 |

See accompanying accountant's review report dated April 17, 2015.
See accompanying notes to financial statements.

BRANDWORKERS INTERNATIONAL, INC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

| | |
|---|---|
| Cash Flows From Operating Activities | $ 39,932 |
| Change in net assets | |
| Adjustments to reconcile change in net assets to cash flows | |
| Depreciation | 2,625 |
| Increase in contributions receivable | (10,429) |
| Decrease in accounts payable and accrued expenses | (3,112) |
| Total adjustments | (10,916) |
| Net cash provided by operating activities represent net increase in cash | 29,016 |
| Cash and cash equivalent at beginning of year | 55,515 |
| Cash and cash equivalent at end of year | $ 84,531 |

See accompanying accountant's review report dated April 17, 2015.
See accompanying notes to financial statements.

Note 1 Organization

Brandworkers International, Inc. (the "Organization") was incorporated in 2009 under Section 402 of the New York Not-For-Profit Corporation Law. It was established to assist retail, food and allied workers to assert their rights and improve the living and working conditions of workers and their families.

Funding of the Organization's programs is provided by grants from other organizations and individuals.

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and similar provisions of the State code. However, tax years 2011, 2012 and 2013 are still subject to examinations by the Internal Revenue Service.

Note 2 Significant accounting policies

Financial Statement Presentation

The Organization's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The classification of the Organization's net assets and its support and revenue is based on the existence or absence of donor-imposed restrictions. It requires that the amount for each of the three classes of net assets, permanently restricted, temporarily restricted, and unrestricted, be displayed in the statement of financial position and that the amounts of change in each of those classes of net assets be displayed in the statement of activities.

These classes are defined as follows:

Permanently Restricted - Net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

Temporarily Restricted - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporary restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities.

Note 2 Significant accounting policies (continued)

Financial Statement Presentation (continued)

Unrestricted - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

The Organization's net assets as at December 31, 2014 were made up of $48,117 unrestricted and $42,105 temporary restricted.

Grants and Contribution

All contributions are considered to be available for unrestricted use unless specifically restricted by the grantor.

Cash and Cash Equivalents

Cash is primarily consisted of cash held in checking and saving accounts at major financial institutions. The Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent 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.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided for using the straight-line method over the estimated useful lives of the property or equipment. The Organization capitalizes any asset it determines will be maintained for an extended time over a period of five years.

Fair Value of Financial Instruments

The carrying amounts of financial instruments including cash, grants and contract and program fees receivable, and accounts payable and accrued expenses approximate their fair values because of the relatively short maturity of these instruments. This measurement has remained the same as in prior years.

Subsequent Events – Management has evaluated subsequent events and transactions that occurred after the statement of financial position date through April 17, 2015. The financial statements include all events or transactions, including estimates, required

Note 2 Significant accounting policies (continued)

Subsequent Events (continued)

to be recognized in accordance with accounting principles generally accepted in the United States of America. Management has determined that there are no unrecognized subsequent events that require additional disclosure.

Note 3 Concentration

Financial instruments that potentially subject the Organization to concentration risk consist principally of cash deposits. The Federal Deposit Insurance Corporation ("FDIC") insures accounts at each institution. Currently, the FDIC insures accounts for up to $250,000 per depositor. Management believes the exposure to credit risk is minimal.

Note 4 Grants Receivable

Grants receivable of $10,429 at December 31, 2014 were from private sources and were all due within one year.

Note 5 Temporarily Restricted Net Assets

Temporarily restricted net assets of $42,105 at 12/31/14 were from foundation and private sources and were all due within one year.

Note 6 Functional Allocations of Expenses

The costs of providing various program and supporting services have been summarized on a functional basis in the Statement of Activities and Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services in reasonable ratios determined by management.