

BRANDWORKERS INTERNATIONAL, INC.

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REVIEW REPORT
DECEMBER 31, 2011 AND 2010

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, 2011 and 2010 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 some 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 13, 2012

BRANDWORKERS INTERNATIONAL, INC.

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
<u>Current Assets</u>		
Cash - checking account	\$ 49,510	\$ 78,763
Cash - paypal account	15,896	10,749
Total Current Assets	65,406	89,512
Total Assets	<u>\$ 65,406</u>	<u>\$ 89,512</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts payable	\$ 2,590	\$ -
Total Liabilities	2,590	-
<u>Net Assets</u>		
Unrestricted Net Assets	62,816	89,512
Total Net Assets	62,816	89,512
Total Liabilities and Net Assets	<u>\$ 65,406</u>	<u>\$ 89,512</u>

See Independent Accountant's Review Report.

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BRANDWORKERS INTERNATIONAL, INC.
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 2011</u>	<u>Total 2010</u>
<u>Support and Revenue</u>				
Corporate contributions	\$ 96,450	\$ -	\$ 96,450	\$122,500
Individual contributions	31,046	—	31,046	—
Legal fee income	11,232	—	11,232	—
Special events	—	—	-	11,427
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal Support and Revenue	138,728	—	138,728	133,927
Net Assets Released from Restrictions	—	—	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Support and Revenue	<u>138,728</u>	<u>—</u>	<u>138,728</u>	<u>133,927</u>
<u>Expenses</u>				
<u>Program Services</u>				
Workforce Assistance Program	<u>158,733</u>	<u>—</u>	<u>158,733</u>	<u>59,544</u>
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Total Program Services	<u>158,733</u>	<u>—</u>	<u>158,733</u>	<u>59,544</u>
<u>Supporting Services</u>				
Fund Raising	<u>6,691</u>	<u>—</u>	<u>6,691</u>	<u>6,348</u>
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Total Expenses	<u>165,424</u>	<u>—</u>	<u>165,424</u>	<u>65,892</u>
Change in net assets	(26,696)	—	(26,696)	68,035
Unrestricted Net Assets at beginning of year	<u>89,512</u>	<u>—</u>	<u>89,512</u>	<u>21,477</u>
Unrestricted Net Assets at end of year	<u>\$ 62,816</u>	<u>\$ -</u>	<u>\$ 62,816</u>	<u>\$ 89,512</u>

See Independent Accountant's Review Report.

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BRANDWORKERS INTERNATIONAL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Workforce Assistance <u>Program</u>	Fund <u>Raising</u>	<u>2011</u> Total <u>Expenses</u>	<u>2010</u> Total <u>Expenses</u>
Salaries	\$ 23,400	\$ -	\$ 23,400	\$ -
Payroll taxes	1,321	—	1,321	-
Consulting	57,470	—	57,470	47,250
Accounting	2,590	—	2,590	500
Office expenses	1,684	—	1,684	1,029
Information technology	957	—	957	-
Rent expense	8,750	—	8,750	600
Insurance	366	—	366	-
Emergency relief	2,446	—	2,446	-
Survey	1,561	—	1,561	-
Meeting expenses	4,988	—	4,988	1,168
Travel and training	4,041	—	4,041	-
Equipment and maintenance	2,238	—	2,238	1,033
Filing fees	35	—	35	850
Miscellaneous	1,194	—	1,194	794
Program stipends	45,692	—	45,692	6,320
Annual dinner	—	6,691	6,691	4,659
GALA	—	—	-	1,340
Holiday event	—	—	-	349
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Total	\$ 158,733	\$ 6,691	\$ 165,424	\$ 65,892

See Independent Accountant's Review Report.

BRANDWORKERS INTERNATIONAL, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>Cash Flows From Operating Activities</u>		
Change in net assets	<u>\$ (26,696)</u>	<u>\$ 68,035</u>
<u>Adjustments to reconcile change in net assets</u>		
<u>to net cash (used in)/provided by operating activities</u>		
Increase in accounts payable	<u>2,590</u>	<u>—</u>
Total adjustments	<u>2,590</u>	<u>—</u>
Net cash (used in)/provided by operating activities	<u>(24,106)</u>	<u>68,035</u>
Net increase in cash	(24,106)	68,035
Cash balance at beginning of year	<u>89,512</u>	<u>21,477</u>
Cash balance at end of year	<u><u>\$ 65,406</u></u>	<u><u>\$ 89,512</u></u>
<u>Supplemental Disclosure of Cash Flow Information</u>		
Cash paid for interest	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See Independent Accountant's Review Report.

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BRANDWORKERS INTERNATIONAL, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011

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 is exempt from taxes under Section 501(c) (3) of the Internal Revenue Code.

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.

Use of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Risks and Uncertainties –Jennings has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. Periods ending June 30, 2008 and subsequent remain subject to examination by applicable taxing authorities.

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.

BRANDWORKERS INTERNATIONAL, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011

Note 2 – CORPORATE CONTRIBUTIONS

Corporate contributions for the years ended December 31, 2011 and 2010 were as follows:

	<u>2011</u>	<u>2010</u>
New York Foundation	\$ 43,950	\$ 47,500
Union Square Award	-0-	25,000
Food chain Workers Alliance	7,500	-0-
New York Community Trust	20,000	-0-
North Star Fund	<u>25,000</u>	<u>50,000</u>
Total Grant Income	<u>\$ 96,450</u>	<u>\$ 122,500</u>