

CULTURE FOR ONE, INC.

Financial Statements

June 30, 2023

CULTURE FOR ONE, INC.

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Culture for One, Inc.
380 Lexington Avenue, Suite 435
New York, NY 10168

We have reviewed the accompanying statements of financial position of Culture for One, Inc., a not-for-profit organization, as of June 30, 2023 and 2022, and the related statements of activities, expenses, and cash flows for the years then ended, and the related notes to the financial statements. 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, we do not express such an opinion.

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.

Accountants' Responsibility

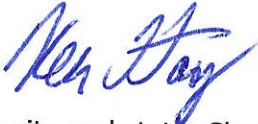
Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of

America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Culture for One, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Signature: 

Accountant's city and state: Sleepy Hollow, NY

Report date: 02/26/2024

CULTURE FOR ONE, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash	\$ 290,712	\$ 353,824
Prepaid expenses	38,153	-
Total Assets	<u>\$ 328,865</u>	<u>\$ 353,824</u>
 LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payables and accrued expenses	\$ 4,000	\$ 14,963
Deferred revenue	26,102	-
Total liabilities	<u>30,102</u>	<u>14,963</u>
Net assets:		
Without donor restrictions	298,763	338,861
With donor restrictions	-	-
Total net assets	<u>298,763</u>	<u>338,861</u>
Total liabilities and net assets	<u>\$ 328,865</u>	<u>\$ 353,824</u>

See accompanying notes and independent accountant's review report.

CULTURE FOR ONE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023 AND 2022

	2023	2022
Support and Revenues:		
Without donor restrictions:		
Special events:		
Income	\$ 70,226	\$ 129,711
Less: cost of direct benefits to donors	(4,020)	(61,507)
Net special event income	66,206	68,204
Contributions	323,148	357,549
Government grants	87,873	71,576
Contributions, nonfinancial	79,385	55,000
Total support and revenues	556,612	552,329
 Expenses:		
Program services	435,800	315,165
Supporting Services:		
Management and general	88,072	102,743
Fundraising	72,838	36,491
Total Supporting Services	160,910	139,234
Total expenses	596,710	454,399
Decrease/ Increase in net assets		
Without donor restrictions	(40,098)	97,930
Net assets, beginning of year	338,861	240,931
Net assets, end of year	\$ 298,763	\$ 338,861

See accompanying notes and independent accountant's review report.

**CULTURE FOR ONE, INC.
STATEMENT OF EXPENSES
FOR YEAR ENDED JUNE 30, 2023**

	2023			
	Supporting services			
	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 100,990	\$ 14,060	\$ 52,135	\$ 167,185
Payroll taxes and benefits	11,678	1,752	6,033	19,463
Consultants and contractors	54,997	41,931	85	97,013
Insurance	1,344	1,344	1,343	4,031
Office supplies and expenses	-	3,888	5,163	9,051
Professional fees	-	15,353	-	15,353
Program expenses - other	16,361	-	-	16,361
Rent	46,750	8,250	-	55,000
Scholarships	89,050	-	-	89,050
Telephone and communications	-	444	-	444
Travel and meetings	6,720	1,050	8,079	15,849
Workshops and excursions	107,910	-	-	107,910
Total expenses	\$ 435,800	\$ 88,072	\$ 72,838	\$ 596,710

	2022			
	Supporting services			
	Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 100,824	\$ 17,281	\$ 17,281	\$ 135,386
Payroll taxes and benefits	11,374	1,949	1,950	15,273
Consultants and contractors	12,850	54,453	340	67,643
Insurance	790	790	790	2,370
Office supplies and expenses	-	8,206	5,458	13,664
Professional fees	-	9,895	10,000	19,895
Program expenses - other	14,830	-	-	14,830
Rent	46,750	8,250	-	55,000
Scholarships	45,441	-	-	45,441
Telephone and communications	-	478	-	478
Travel and meetings	2,676	1,441	672	4,789
Workshops and excursions	79,630	-	-	79,630
Total expenses	\$ 315,165	\$ 102,743	\$ 36,491	\$ 454,399

See accompanying notes and independent accountant's review report.

CULTURE FOR ONE, INC.
STATEMENTS OF CASH FLOWS
JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Decrease / Increase in net assets	\$ (40,098)	\$ 97,930
Decrease / Increase in assets:		
Prepaid expenses	(38,153)	-
Increase in liabilities:		
Accounts payable and accrued expenses	15,139	10,031
Net cash used / provided by operating activities	<u>(63,112)</u>	<u>107,961</u>
Cash flows from investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities	<u>-</u>	<u>-</u>
Net decrease / Increase in cash	(63,112)	107,961
Cash at beginning of year	353,824	245,863
Cash at end of year	<u>\$ 290,712</u>	<u>\$ 353,824</u>

See accompanying notes and independent accountant's review report.

CULTURE FOR ONE, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 – Nature of activities and Summary of Significant Accounting Policies

Nature of activities

Culture for One, Inc. (Organization), a not-for-profit organization, was incorporated in the State of New York on February 26, 2013. The Organization is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for federal, state or local income taxes has been recorded. The Organization does not believe its financial statements contain any uncertain tax positions. The Organization primarily receives its support from contributions, government grants and special events.

The Organization transforms the lives of New York City children in foster care through the power of the arts. The Organization provides free, high-quality opportunities to the children to inspire their creativity, stimulate their intellect and introduce them to broader possibilities for their futures. The Organization uses cultural excursions, creative workshops, art scholarships, take-home art projects and one-to-one mentoring to nurture big dreams and encourage higher education and career planning. Through exposure to the arts and positive role models, the Organization helps the children build confidence, acquire life skills, identify new interests and improve their academic performance.

Basis of Accounting

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

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 certain grantor) restrictions. This classification includes net assets designated by the board or management for a specified purpose.

CULTURE FOR ONE, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature (endowment), where the donor stipulates that resources be maintained in perpetuity. There were no restricted net assets as of date of the statement of financial position.

Revenue Recognition

The Organization recognizes contributions when cash, noncash assets or unconditional promises to give are received. Conditional promises to give, which have a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Amounts received prior to meeting these conditions, if any, are reported as deferred revenue in the statements of financial position. At June 30, 2023 and 2022, the Organization had \$26,102 and \$0 respectively in deferred revenue.

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted for a purpose by the donor are reported as revenue with donor restrictions and increases in net assets with donor restrictions. Contributions received with restrictions that are met in the same reporting period are reported as revenue without donor restrictions and increases in net assets without donor restrictions. When a restriction expires (either a stipulated time period ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization receives grants from governmental agencies. Depending upon the terms of the grant, it can be either an exchange transaction or a contribution. In accordance with grant provisions, the grant can be an expense reimbursement grant which requires that approved expenses be incurred prior to reimbursement by the grantor. Other grants permit advances of grant funds or full payment of grant funds at the start of the grant. If the grant is an exchange type grant, all unreimbursed expenses, for approved purposes, as of yearend are recorded as receivables and any unexpended advances are recorded as refundable advances. If the grant is a contribution, it is recognized in accordance with the contribution recognition policy described above.

The Organization receives special events revenue which contains both an exchange component and a conditional contribution component. Both components are recognized when the event takes place. Any event revenue received in advance of the event is recorded as deferred revenue.

CULTURE FOR ONE, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are charged to program and supporting services based upon direct charges for those items specifically identifiable with the respective functions. Expenses not specifically identifiable with certain functions, such as salaries and related expenses, are allocated based on estimated time and effort, and such as rent and insurance, are allocated based on usage. The Organization classifies expenses, which are not directly related to a specific program, as management and general expenses.

Note 2 - Nonfinancial Contributions

Total nonfinancial contributions reported on the accompanying statements of activities for the years ended June 30, 2023 and 2022 amounted to \$79,385 and \$55,000, respectively, and consisted of donated office space and art scholarships and other in-kind items. Amounts are recorded at their estimated fair market values at the date of donation using published rates and prices. Volunteer time which did not meet the criteria for being recognized as contributions in accordance with US GAAP was donated to the Organization. The value of the volunteer time cannot be objectively determined and was not recognized in the financial statements.

Note 3 - Government Grants

During the years ended June 30, 2023 and 2022, the Organization received grants from governmental entities. Total revenue recognized from the grants amounted to:

	<u>2023</u>	<u>2022</u>
NYC Department of Cultural Affairs	4,613	22,076
NYS Council of the Arts	<u>83,260</u>	<u>49,500</u>
	<u>\$ 87,873</u>	<u>\$ 71,576</u>

CULTURE FOR ONE, INC.
NOTES TO FINANCIAL STATEMENTS

Note 4 – Exchange component of special event revenue

Exchange component of special revenue is a benefit received by donors during those special events:

	2023	2022
Special event revenue – exchange component	\$4,020	\$ 61,507

Note 5 - Concentrations

The Organization maintains its cash in various accounts. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits up to \$250,000 per financial institution. At times, the balances of the accounts may have exceeded the insured limits during the years ended June 30, 2023 and 2022.

Note 6 - Liquidity and Availability of Financial Assets

The Organization regularly monitors liquidity required to meet its operating needs and other obligations as they come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities to be general expenditures. Amounts available for general expenditures over a 12-month period include donor-restricted amounts that are available for ongoing programmatic and support expenditures.

The following reflects the Organization’s financial assets, as of June 30, 2023 and 2022, reduced by amounts not available for general use within one year because of contractual, donor-imposed, or internal restrictions and designations:

	2023	2022
Financial assets:		
Cash	\$ 290,712	\$ 353,824
Total financial assets	\$ 290,712	\$ 353,824
Less those unavailable for general expenditures within one year	-	-
Financial assets available to meet cash needs for general expenditures within one year	\$ 290,712	\$ 353,824

Note 7 - Subsequent Events Subsequent events were evaluated for potential additional disclosures and corrections through January 19, 2024, which is the date the financial statements were available to be issued. There were no required disclosures.