

**NATIONAL LAW ENFORCEMENT AND  
FIREFIGHTERS CHILDREN'S FOUNDATION  
FOR THE YEAR ENDED MARCH 31, 2016  
WITH SUMMARIZED FINANCIAL  
INFORMATION AS OF MARCH 31, 2015**

**NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS  
INDEX TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016  
WITH SUMMARIZED FINANCIAL INFORMATION  
AS OF MARCH 31, 2015**

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David S. Ribet (Retired)

### INDEPENDENT AUDITOR'S REPORT

To the Board and Directors of  
National Law Enforcement and Firefighters Children's Foundation

We have audited the accompanying financial statements of National Law Enforcement and Firefighters Children's Foundation (a non profit organization), which comprise the statement of financial position as of March 31, 2016 and 2015 and the related statements of activities and cash flows for the years 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 misstatements, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluation of 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 National Law Enforcement and Firefighters Children's Foundation as of March 31, 2016 and 2015, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

New York, NY

May 17, 2016

*Ribet and Gordon*

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS CHILDREN'S FOUNDATION  
STATEMENT OF FINANCIAL POSITION AT MARCH 31, 2016  
WITH SUMMARIZED INFORMATION AT MARCH 31, 2015

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ASSETS

	2016	2015
Assets		
Cash	\$ 451,989	\$ 479,896
Cash - Restricted	106,514	72,834
Prepaid Expenses	587	1,006
TOTAL ASSETS	\$ 559,090	\$ 553,736

LIABILITIES AND NET ASSETS

Liabilities		
Accounts Payable	\$ -	\$ -
TOTAL LIABILITIES	-	-
Net Assets		
Unrestricted	468,180	480,902
Temporarily Restricted	106,514	72,834
TOTAL NET ASSETS	559,090	553,736
TOTAL LIABILITIES AND NET ASSETS	\$ 559,090	\$ 553,736

The accompanying notes are an integral part of these financial statements.

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS CHILDREN'S FOUNDATION  
 STATEMENT OF ACTIVITIES FOR THE YEAR ENDED MARCH 31, 2016  
 WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED MARCH 31, 2015

	Unrestricted	Temporarily Restricted	2016 Total	2015 Total
<b>REVENUES</b>				
Contributions	\$ 246,706	\$ 49,597	\$ 296,303	\$ 416,592
Donated Services	13,706	-	13,706	11,509
Interest Income	16	83	99	84
Other	1,807	-	1,807	17,477
<b>NET ASSETS RELEASED FROM RESTRICTION</b>	<b>14,000</b>	<b>(14,000)</b>	<b>-</b>	<b>-</b>
<b>TOTAL REVENUE</b>	<b>276,235</b>	<b>35,680</b>	<b>311,915</b>	<b>445,662</b>
<b>EXPENSES</b>				
Program	229,040	-	229,040	189,385
Management and General	43,830	-	43,830	62,729
Fundraising	18,087	-	18,087	161,307
<b>TOTAL EXPENSES</b>	<b>290,957</b>	<b>-</b>	<b>290,957</b>	<b>413,421</b>
<b>DECREASE/INCREASE IN NET ASSETS</b>	<b>(14,722)</b>	<b>35,680</b>	<b>20,958</b>	<b>32,241</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>480,902</b>	<b>72,834</b>	<b>553,736</b>	<b>521,495</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>(15,604)</b>	<b>-</b>	<b>(15,604)</b>	<b>-</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 450,576</b>	<b>\$ 108,514</b>	<b>559,090</b>	<b>\$ 553,736</b>

The accompanying notes are an integral part of these financial statements.

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS CHILDREN'S FOUNDATION  
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2016  
WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED MARCH 31, 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase/(Decrease) in Net Assets	\$ 20,958	\$ 32,241
Adjustment to reconcile (decrease)/increase in net assets to net cash flows provided by operating activities:		
Changes in Assets and Liabilities		
Prepaid Expenses	419	121
Prior Period Adjustment	(15,604)	-
TOTAL ADJUSTMENTS	(15,185)	121
NET CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES	5,773	32,362
NET (DECREASE)/INCREASE IN CASH	5,773	32,362
CASH - BEGINNING OF YEAR	552,730	520,368
CASH - END OF YEAR	\$ 558,503	\$ 552,730
Composition of Ending Cash		
Cash - Unrestricted	\$ 451,989	\$ 479,896
Cash - Restricted	106,514	72,834
	\$ 558,503	\$ 552,730

The accompanying notes are an integral part of these financial statements.

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS  
CHILDREN'S FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016

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**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Organization***

The National Law Enforcement and Firefighters Children's Foundation (the "Foundation") is a not for profit organization located in New York City dedicated to helping the children of law enforcement officers and firefighters impacted by a line of duty death or permanent disability.

Along with providing for these children, the Foundation is also committed to funding educational programs created and operated by various law enforcement and firefighting organizations, benefitting the children in their communities.

The Foundation is primarily supported through public contributions and events like the Thanksgiving Parade Breakfast and the Heroes Awards Gala events held this year. Public contributions are also made in support of the scholarship and grant programs.

***Summary of Significant Accounting Policies***

Significant accounting policies followed by National Law Enforcement and Firefighters Children's Foundation are set forth below:

- The accompanying financial statements are presented on the accrual basis of accounting and have been prepared to focus on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions as required by accounting standards for Not-for-Profit Organizations.
- The National Law Enforcement and Firefighters Children's Foundation applies Statement of Financial Accounting Standards FASB ASC 958-605, Accounting for Contributions Received and Made, and FASB ASC 958-205, Financial Statements for Not-for-Profit Organizations to its financial statements. FASB ASC 958-205 establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. FASB ASC 958-605 requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the organization distinguish between contributions received for each net asset category in accordance with donor imposed restrictions. A description of the three net asset categories follows.

***Unrestricted net assets*** include National Law Enforcement and Firefighters Children's Foundation revenues and expenses associated with its principal mission to helping children of law enforcement and firefighters. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

***Temporarily restricted net assets*** include gifts for which donor imposed restrictions have not been met and trust activity and pledges receivable for which the ultimate purpose of the proceeds is not permanently restricted.

**NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS  
CHILDREN'S FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016**

*Permanently restricted net assets* include gifts, trust and pledges which require by donor restriction that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure 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.
- **Donated Materials and Services:**  
Donated materials and services are recognized as in-kind revenues at their estimated fair value. A corresponding expense is similarly recorded.
- Subsequent events have been evaluated through May 17, 2016 which was the date the financial statements were available to be issued.

**NOTE 2 – CASH**

At times during the year, the Foundation periodically had cash balances in excess of Federal Deposit Insurance Corporation (FDIC) limits. As of March 31, 2016 and 2015, the Foundation had a cash balance in excess of these limits in the amount of \$201,785 and \$199,551, respectively. The Foundation has not experienced any losses on its cash.

**NOTE 3 – DONATED SERVICES AND MATERIALS**

The Foundation received donated services and materials from a variety of unpaid volunteers and Companies assisting the Foundation in support of its operations, programs and special events. Their fair value of the portion of these in-kind donations, which were included in the accompanying financial statements, pursuant to the criteria for recognition under accounting principles generally accepted in the United States of America consisted of the following during the year ended March 31, 2016 and 2015:

	2016	2015
Fees	\$ 2,411	\$ 884
Program Expense	3,100	3,100
Rent	8,195	7,525
	<u>\$ 13,706</u>	<u>\$ 11,509</u>

**NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS  
CHILDREN'S FOUNDATION**  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016

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**NOTE 4 - INCOME TAXES**

National Law Enforcement and Firefighters Children's Foundation, Inc. is a tax-exempt organization under the Internal Revenue Code Section 501(c)(3) and is not subject to federal or state income taxes

**NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS**

In May, 2005, the Foundation received a donation in the amount of \$24,166 from a donor with the stated purpose of using the funds and the interest generated by these funds to award two annual scholarships in the amount of \$500 each, to the New York City Department of Corrections Law Enforcement Explorer program, until said funds are depleted. During the year ended March 31, 2016 and 2015, the Foundation awarded \$2,000 and \$3,000 respectively to sponsor selected explorers to support a college scholarship or attend the Thanksgiving event. The balance of this donation in cash-restricted is \$7,027 and \$8,024 at March 31, 2016 and 2015, respectively.

The Foundation established a scholarship fund in 2009 in honor of Victoria Ovis, who dedicated her life to law enforcement. A \$2,000 scholarship will be given to students each year in Victoria's memory. This annual scholarship is designed to reward personal character, academic excellence and the overall achievement of individuals who are or were a dependent of a firefighter of law enforcement agent. During the year ended March 31, 2016 and 2015, \$2,000 in scholarships were awarded each year and an additional \$500 and \$3,400 was contributed into the fund, respectively. The balance of this donation in cash-restricted is \$22,984 and \$23,766 at March 31, 2016 and 2015, respectively.

In the fall of 2013, the foundation established the Vincent Bennett Jr. Memorial Scholarship Fund. The fund's purpose is to pay out \$20,000 in scholarships (\$5,000 per year) to a new college freshman over a four year period. For the year ended March 31, 2016 and 2015, the foundation awarded \$10,000 and \$5,000 respectively to selected recipients. As of March 31, 2016 and 2015, the balance in this cash-restricted account was \$76,503 and \$41,044, respectively.

**NOTE 6 - EVENT CONCENTRATION**

During the year ended March 31, 2016 and 2015, one event (Thanksgiving in 2016 and Heroes Award in 2015) represented 38.87% and 71.09% of contributions, respectively.

**NOTE 7 - SUMMARIZED PRIOR YEAR 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended March 31, 2015 from which the summarized information was derived.

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**INDEPENDENT AUDITORS' REPORT  
ON ADDITIONAL INFORMATION**

To the Board of Directors of  
National Law Enforcement and Firefighters Children's Foundation

Our report on our audit of the basic financial statements of National Law Enforcement and Firefighters Children's Foundation as of March 31, 2016 and 2015 and for the year then ended appears on page 1. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statement taken as a whole.

*Ribet and Gordon*

New York, NY

May 17, 2016

NATIONAL LAW ENFORCEMENT AND FIREFIGHTERS CHILDREN'S FOUNDATION  
 STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED MARCH 31, 2016  
 WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED MARCH 31, 2015

	Program	Mgmt & General	Fundraising	2016 Total	2015 Total
Events					
Heroes Award	-	-	-	-	\$ 109,387
Thanksgiving	75,972	-	-	75,972	75,656
Scholarship	62,000	-	-	62,000	57,750
Grants	9,000	-	-	9,000	6,250
Consulting	47,116	13,684	12,510	73,310	72,040
Professional Fees	-	9,812	-	9,812	8,236
Printing & Publications	69	135	-	204	6,275
Office Expense	63	552	-	615	828
Rent	3,933	2,049	2,213	8,195	7,525
Insurance	-	5,188	-	5,188	6,220
Credit Card Fees & Bank Charges	1,150	135	-	1,285	3,389
Travel & Entertainment	364	494	-	858	1,703
Telephone & Internet Access	1,163	605	654	2,422	1,820
Postage & Shipping	1,313	415	80	1,808	2,607
Filing Fees	-	2,145	-	2,145	2,547
Dues and Subscriptions	-	1,281	-	1,281	1,569
Advertising & Promotion	26,897	7,234	2,630	36,761	49,609
Miscellaneous	-	101	-	101	10
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 229,040</b>	<b>\$ 43,830</b>	<b>\$ 18,087</b>	<b>290,957</b>	<b>\$ 413,421</b>

The accompanying notes are an integral part of these financial statements.