

***UNDERGROUND RAILROAD HISTORY PROJECT
OF THE CAPITAL REGION***

FINANCIAL STATEMENTS

DECEMBER 31, 2014

UNDERGROUND RAILROAD HISTORY PROJECT OF THE CAPITAL REGION

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors
Underground Railroad History Project
of the Capital Region
Albany, New York

We have reviewed the accompanying statement of financial position of the Underground Railroad History Project of the Capital Region (a non-profit 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 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, we 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.

Our 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 us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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 conformity with accounting principles generally accepted in the United States of America.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
June 3, 2015

UNDERGROUND RAILROAD HISTORY PROJECT OF THE CAPITAL REGION

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2014

ASSETS

Current Assets	
Cash	\$ 24,056
Grant Receivable	<u>350,000</u>
Total Current Assets	374,056
Property and Equipment, Net	<u>513,328</u>
Total Assets	<u>\$ 887,384</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Current Portion of Long-term Debt	\$ 323,325
Accounts Payable and Accrued Expenses	<u>30,638</u>
Total Current Liabilities	<u>353,963</u>
Net Assets, Unrestricted	
Invested in Capital Assets Net of Related Debt	190,003
Unrestricted	<u>343,418</u>
Total Unrestricted Net Assets	<u>533,421</u>
Total Liabilities and Net Assets	<u>\$ 887,384</u>

UNDERGROUND RAILROAD HISTORY PROJECT OF THE CAPITAL REGION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

Revenues	
Grant Revenue	\$ 350,000
Contributions	47,242
Conferences/Workshops	19,693
Interest Income	<u>14</u>
Total Revenues	<u>416,949</u>
Expenses	
Salaries	10,000
Payroll Taxes	765
Conferences/Workshops	7,730
Professional Fees	7,403
Architect Fees	63,925
Occupancy	6,286
Insurance	8,638
Office	12,635
Interest	5,560
Miscellaneous Expenses	<u>1,356</u>
Total Expenses	<u>124,298</u>
Change in Net Assets	292,651
Net Assets, Beginning of Year	<u>240,770</u>
Net Assets, End of Year	<u><u>\$ 533,421</u></u>

UNDERGROUND RAILROAD HISTORY PROJECT OF THE CAPITAL REGION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

Cash Flows from Operating Activities:	
Change in Net Assets	\$ 292,651
Adjustments to Reconcile Change in Net Assets to Cash	
Used In Operating Activities:	
(Increase) Decrease in Assets:	
Grant Receivable	(350,000)
Increase (Decrease) in Liabilities:	
Accounts Payable and Accrued Expenses	<u>30,638</u>
Net Cash Used In Operating Activities	<u>(26,711)</u>
Cash Flows from Investing Activities:	
Purchase of Property and Equipment	<u>(290,338)</u>
Cash Flows from Financing Activities:	
Advances on Long-term Debt	<u>312,360</u>
Decrease in Cash	(4,689)
Cash at Beginning of Year	<u>28,745</u>
Cash at End of Year	<u>\$ 24,056</u>
Supplemental Disclosure of Cash Flows Information	
Cash Paid for Interest	<u>\$ 5,560</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

The Underground Railroad History Project of the Capital Region is a not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. The Organization promotes and encourages knowledge and understanding of the Underground Railroad Movement and its genesis and legacy in the Capital Region of New York.

Basis of Accounting and Reporting

The financial statements of the Underground Railroad History Project of the Capital Region have been prepared using the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Property and Equipment

Property and equipment is stated at cost or, if donated, at the estimated fair market value upon receipt. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

The Organization follows the practice of capitalizing expenditures for property and equipment in excess of \$1,000. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Building and Improvements	15 years
Furniture and Equipment	5-15 years
Vehicles	3 years

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Pervasiveness 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

UNDERGROUND RAILROAD HISTORY PROJECT OF THE CAPITAL REGION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value

The Accounting Standards Codification requires expanded disclosures about fair value measurements and establishes a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at the measurement date. Fair value is defined as the price that the Organization would receive upon selling an asset or be paid to transfer a liability in an orderly transaction between market participants. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The Organization has no assets or liabilities measured at fair value on a recurring basis.

Accounting for Uncertainty in Income Taxes

The Accounting Standards Codification requires entities to disclose in their financial statements the nature of any uncertainty in their tax positions. The Organization has not recognized any benefits or liabilities from uncertain tax positions in 2014 and believes it has no uncertain tax positions for which it is reasonably possible that will significantly increase or decrease net assets. Generally, federal and state authorities may examine the Organization's tax returns for three years from the date of filing; consequently, income tax returns for the years prior to 2011 are no longer subject to examination by tax authorities.

Subsequent Events

Management has evaluated subsequent events or transactions as to any potential material impact on operations or financial position occurring through June 3, 2015, the date the financial statements were available to be issued. No such events or transactions were identified.

2. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Building	\$ 514,018
Equipment	<u>662</u>
Total	514,680
Less: Accumulated Depreciation	<u>(1,352)</u>
Land, Buildings and Equipment - Net	<u>\$ 513,328</u>

UNDERGROUND RAILROAD HISTORY PROJECT OF THE CAPITAL REGION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2014

3. LONG-TERM DEBT

Long-term debt consists of a note payable of \$323,325 payable to the Community Loan Fund of the Capital District, Inc. and is collateralized by the grant receivable.

4. CONTINGENCIES

The Organization receives funding for various programs that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by the federal and state agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of management, such disallowances, if any will not be significant to the financial statements.