

DESIGN TRUST FOR PUBLIC SPACE, INC.

FINANCIAL STATEMENTS

December 31, 2008

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Certified Public Accountants

J. Timothy Sherman, CPA
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Licensed in: New York
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Design Trust for Public Space, Inc.
New York, NY

We have audited the accompanying statements of financial position of Design Trust for Public Space, Inc. as of December 31, 2008 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Design Trust for Public Space, Inc. as of December 31, 2008, and the results of its activities and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Cohen Greve & Company PC

February 18, 2009

DESIGN TRUST FOR PUBLIC SPACE, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2008

ASSETS

Assets	\$ 116,040
Cash	45,020
Accounts/pledges receivable	14,630
Investment	3,436
Security deposit	1,170
Prepaid expense	16,724
Fixed assets	
	<u>16,724</u>
	<u>\$ 197,020</u>
TOTAL ASSETS	

LIABILITIES AND NET ASSETS

Liabilities	\$ 12,617
Accounts payable & accrued expenses	<u>12,617</u>
	<u>12,617</u>
Net Assets	184,403
Unrestricted	<u>184,403</u>
	<u>184,403</u>
	<u>\$ 197,020</u>
TOTAL LIABILITIES AND NET ASSETS	

DESIGN TRUST FOR PUBLIC SPACE, INC.
STATEMENTS OF ACTIVITIES
For the Year Ended December 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Changes In Net Assets			
Revenues and contributions:			
Contributions	\$ 310,170	\$ 128,350	\$ 438,520
In-kind contributions		65,000	65,000
Auction income	179,745		179,745
Investment income	943		943
Program fees and merchandise	<u>17,076</u>		<u>17,076</u>
	507,934	193,350	701,284
Net assets released from restrictions	<u>283,350</u>	<u>(283,350)</u>	<u>-</u>
	<u>791,284</u>	<u>(90,000)</u>	<u>701,284</u>
Total Revenues and Contributions			
Expenses – Programs			
Reinventing Grand Army Plaza	322,926		322,926
Park Design for the 21 st Century	69,980		69,980
06 Taxi 07: Exhibit, Masterplan	23,634		23,634
08 Taxi 07: Data Collection, Advocacy	22,753		22,753
Design Trust Council	32,475		32,475
Program Development	15,081		15,081
Intersections: Grand Concourse Beyond 100	10,393		10,393
Photo Urbanism	6,745		6,745
Child's Play	<u>5,380</u>		<u>5,380</u>
Total Program Expenses	<u>509,367</u>	<u>-</u>	<u>509,367</u>
Supporting Activities			
Management & General	39,711		39,711
Organizational Development	<u>232,408</u>		<u>232,408</u>
Total Expenses	<u>781,486</u>	<u>-</u>	<u>781,486</u>
Changes in Net Assets	9,798	(90,000)	(80,202)
Net Assets – Beginning of Year	<u>174,605</u>	<u>90,000</u>	<u>264,605</u>
Net Asset – End of Year	<u>\$ 184,403</u>	<u>\$ -</u>	<u>\$ 184,403</u>

DESIGN TRUST FOR PUBLIC SPACE, INC.
STATEMENTS OF CASH FLOWS
For the Year Ended December 31, 2008

Cash Flows From Operating Activities:

Change in Net Assets	\$ (80,202)
Adjustments to reconcile change in net assets to net cash provided by:	
Operating activities	
Depreciation	4,052
Change in accounts receivable	47,900
Change in investments	(14,630)
Change in prepaid expenses	(1,170)
Change in accrued expenses	4,691
	<u>4,691</u>
Net Cash Provided By Operating Activities	<u>(39,359)</u>
Investing Activities	
Acquisition of fixed assets	<u>(12,755)</u>
Net Cash Used by Investing Activities	<u>(12,755)</u>
Net decrease in Cash	(52,114)
Cash at Beginning of Period	<u>168,154</u>
Cash At End Of Period	<u><u>\$ 116,040</u></u>

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Design Trust for Public Space is a non-profit organization dedicated to improving New York City's parks, plazas, streets and public buildings. Design Trust projects enrich the urban experience for all New Yorkers by turning good design intentions into reality. We bring together neighborhoods, public agencies, and design professionals to find innovative opportunities for change, making the city more beautiful, sustainable, and available to all.

The Design Trust was incorporated in New York State in October 1995.

The organization is exempt from Federal income taxes under Internal Revenue Service Code Section 501(a) as described in Section 501(c)(3).

The financial statements have been prepared on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

Classes of Net Assets

The financial statements report amounts separately by class of net assets.

- a) **Unrestricted** assets are those currently available for use in program and support activities at the discretion of the Board of Directors.
- b) **Temporarily restricted** assets are those that are stipulated by donors for specific operating purposes or for the acquisition of equipment.

All contributions are considered available for unrestricted use, unless specifically restricted by the donor or subject to other legal restrictions. Gifts with donor restrictions that expired or were accomplished during the year, have been reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Fixed Assets – Leasehold improvements and property are capitalized and carried at cost, less an appropriate allowance for depreciation. The cost of maintenance and repairs is charged to income as incurred. Depreciation is computed on the straight-line basis over the estimated useful life of five years. A summary of property and equipment follows:

Furniture and fixtures	\$ 14,158
Computer and equipment	34,792
Leasehold improvements	18,719
	<hr/>
	67,669
	50,945
Less accumulated depreciation	<hr/>
	<u>\$ 16,724</u>

Donated personal services of volunteers are not reflected in the accompanying financial statements, because such services do not require specialized skills.

Contributions of donated services that create or enhance nonfinancial assets, or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair market values in the period received. During the period ended December 2008 in-kind contributions of graphic and exhibit design totaling \$65,000 were made.

Indirect expenses are allocated among programs and supporting services based on staff time allocations. (Direct expenses are charged to the program or service that incurred the expense.)

NOTE B - COMMITMENTS

As of December 31, 2008 the Design Trust had contractual commitments for fellowships and other services relating to various programs totaling approximately \$47,000. Payments are paid or accrued as the required milestones are met.

The monthly office space rental is approximately \$3,100 (less sub lease rental income of \$1,000) with additional monthly charges for a portion of utilities and maintenance.

NOTE C - RELATED PARTY

The founding director made contributions totaling \$180,000 during the year ended December 31, 2008.

NOTE D - CONCENTRATIONS OF CASH

Due to its cash flow cycle, the Trust periodically maintains cash balances in a bank in excess of insured limits. In assessing its risk, the Trust's policy is to maintain funds only with reputable financial institutions.

NOTE E - ORGANIZATIONAL DEVELOPMENT

There was approximately \$128,000 of cost, associated with the Trust's fundraising auctions, included in Organizational Development. This includes staff time allocation.

Note F - TEMPORARILY RESTRICTED NET ASSETS

During 2008 the \$90,000 of Temporarily Restricted Net Assets from 2007 were used.