

STAMFORD PARTNERSHIP INC.
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 AND 2007

Independent Auditor's Report

Board of Directors
Stamford Partnership Inc.

We have audited the accompanying statements of financial position of Stamford Partnership Inc. as of June 30, 2008 and 2007 and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the management of the Organization. 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 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 audits provide 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 Stamford Partnership Inc. as of June 30, 2008 and 2007 and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

October 31, 2008

**STAMFORD PARTNERSHIP INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 45,372	\$ 66,858
Promises to give	-	28,000
Other receivables	4,500	13,000
Other current assets	6,667	4,500
Fixed assets, net	<u>1,373</u>	<u>1,788</u>
Total Assets	<u>\$ 57,912</u>	<u>\$ 114,146</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable and accrued expenses	\$ 1,299	\$ 15,969
Due to Waterside Coalition, Inc.	<u>-</u>	<u>2,258</u>
Total Liabilities	1,299	18,227
 NET ASSETS		
Unrestricted	54,088	52,449
Temporarily restricted	<u>2,525</u>	<u>43,470</u>
Total Net Assets	<u>56,613</u>	<u>95,919</u>
Total Liabilities and Net Assets	<u>\$ 57,912</u>	<u>\$ 114,146</u>

See independent auditors' report and notes to financial statements

**STAMFORD PARTNERSHIP INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
PUBLIC SUPPORT AND REVENUE			
Contributions	\$ 187,700	\$ 29,730	\$ 217,430
Donated facilities	23,760	-	23,760
Program service	57,817	-	57,817
Interest income	659	-	659
Net assets released from restrictions	<u>70,675</u>	<u>(70,675)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	340,611	(40,945)	299,666
EXPENSES			
Program services	283,006	-	283,006
Supporting services:			
Management and general	39,360	-	39,360
Fundraising	<u>16,606</u>	<u>-</u>	<u>16,606</u>
TOTAL EXPENSES	338,972	-	338,972
(DECREASE) INCREASE IN NET ASSETS	1,639	(40,945)	(39,306)
NET ASSETS - BEGINNING OF YEAR	52,449	43,470	95,919
NET ASSETS - END OF YEAR	\$ 54,088	\$ 2,525	\$ 56,613

See independent auditors' report and notes to financial statements

**STAMFORD PARTNERSHIP INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2007**

	Unrestricted	Temporarily Restricted	Total
PUBLIC SUPPORT AND REVENUE			
Contributions	\$ 174,555	\$ 89,700	\$ 264,255
Donated facilities	23,760	-	23,760
Program service	50,062	-	50,062
Interest income	1,968	-	1,968
Net assets released from restrictions	<u>74,236</u>	<u>(74,236)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	324,581	15,464	340,045
EXPENSES			
Program services	261,913	-	261,913
Supporting services:			
Management and general	43,994	-	43,994
Fundraising	<u>14,642</u>	<u>-</u>	<u>14,642</u>
TOTAL EXPENSES	320,549	-	320,549
INCREASE(DECREASE) IN NET ASSETS Before transfer of assets	4,032	15,464	19,496
Assets Transferred	<u>-</u>	<u>(42,758)</u>	<u>(42,758)</u>
INCREASE(DECREASE) IN NET ASSETS	4,032	(27,294)	(23,262)
NET ASSETS - BEGINNING OF YEAR	<u>48,417</u>	<u>70,764</u>	<u>119,181</u>
NET ASSETS - END OF YEAR	<u><u>\$ 52,449</u></u>	<u><u>\$ 43,470</u></u>	<u><u>\$ 95,919</u></u>

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**STAMFORD PARTNERSHIP INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2008**

	Program Services				Supporting Services		Total			
	Wifi	Youth Development Education	Immigration	Neighborhood Revitalization		Program Expenses		Management and General	Fundraising	Total Expenses
				Mill River	General					
Salaries	11,917	14,933	26,424	35,750	68,199	157,223	23,128	11,917	\$ 192,268	
Payroll taxes	1,128	1,413	2,500	3,363	6,454	14,878	2,189	1,128	18,194	
Other benefits	373	468	827	1,120	2,136	4,924	724	373	6,021	
Total salary and related expenses	13,418	16,814	29,752	40,252	76,788	177,024	26,041	13,418	216,483	
Neighborhood revitalization expenses										
Donated facilities	3,168	3,168	3,168	3,168	8,030	8,090	-	-	8,090	
Consulting	-	-	15,128	-	3,168	19,008	3,564	1,188	23,760	
Day laborers	-	-	3,952	-	6,000	21,128	-	-	21,128	
Telephone	333	333	333	333	333	1,998	375	125	2,498	
Office supplies and equipment	1,131	1,527	1,642	3,944	1,131	10,506	1,273	426	12,204	
Insurance	458	459	459	459	458	2,752	516	172	3,440	
Postage, printing and advertising	189	189	1,830	216	2,694	5,307	3,695	254	9,256	
Professional fees	1,224	1,224	1,224	1,224	2,725	8,845	1,377	459	10,681	
Meetings and entertainment	-	1,944	2,566	208	735	5,453	-	-	5,453	
Utilities	189	190	190	190	190	1,138	213	71	1,423	
Dues and publications	262	262	262	341	262	1,651	296	99	2,045	
Website operations	-	2,000	-	-	-	2,000	-	-	2,000	
Conferences/travel	477	481	1,137	727	477	3,776	708	236	4,720	
Other	-	750	-	-	-	750	-	-	750	
Contributions	-	8,500	-	-	-	8,500	1,000	-	9,500	
Total expenses before depreciation	20,849	37,841	61,643	51,062	102,988	281,878	39,058	16,447	337,383	
Depreciation	188	188	188	188	188	1,128	302	159	1,589	
Total expenses	21,037	38,029	61,831	51,249	103,176	283,006	\$ 39,360	\$ 16,606	\$ 338,972	

See independent auditors' report and notes to financial statements

**STAMFORD PARTNERSHIP INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2007**

	Program Services					Supporting Services			Total Expenses
	Youth Development		Land Use	Neighborhood Revitalization		Total Program Expenses	Management and General	Fundraising	
	Wifi	Education	Immigration	Mill River	General				
Salaries	\$ 11,100	\$ 11,100	21,412	33,300	1,456	75,600	\$ 28,131	\$ 11,100	\$ 193,199
Payroll taxes	931	931	1,796	2,794	111	6,464	2,360	931	16,319
Other benefits	-	-	-	-	-	1,810	-	-	1,810
Total salary and related expenses	12,031	12,031	23,208	36,094	1,567	83,874	30,491	12,031	211,328
Neighborhood revitalization expenses	-	-	4,539	-	-	3,212	-	-	7,751
Donated facilities	3,715	3,715	3,715	3,715	-	3,715	3,997	1,188	23,760
Consulting	-	-	24,960	-	-	19,960	-	-	44,920
Day laborers	-	-	-	-	-	-	-	-	-
Telephone	388	388	388	388	25	388	372	122	2,459
Office supplies and equipment	790	790	790	790	226	790	1,557	226	5,959
Insurance	479	479	479	479	-	479	450	150	2,995
Postage, printing and advertising	266	266	266	266	-	506	418	105	2,093
Professional fees	1,106	1,106	1,106	1,106	600	1,106	3,480	474	10,084
Meetings and entertainment	-	-	-	-	-	-	-	-	-
Utilities	262	262	262	262	-	262	287	84	1,681
Dues and publications	-	-	-	905	-	278	1,845	-	3,028
Conferences/travel	124	-	-	525	-	618	597	-	1,864
Other	-	-	-	-	-	-	-	-	-
Total expenses before depreciation	19,161	19,037	59,713	44,531	2,418	115,188	43,495	14,380	317,922
Depreciation	373	373	373	373	-	373	499	263	2,627
Total expenses	19,534	19,410	60,086	44,903	2,418	115,561	43,994	14,642	320,549

See independent auditors' report and notes to financial statements

**STAMFORD PARTNERSHIP INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2007 AND 2006**

	<u>2008</u>	<u>2007</u>
Cash flows from (used in) operating activities		
(Decrease) increase in net assets	\$ (39,306)	\$ (23,262)
Adjustments to reconcile (decrease) increase in net assets to cash from (used in) operating activities		
Depreciation	1,589	2,627
Decrease (increase) in promises to give	28,000	(23,000)
(Increase) decrease in other current assets	(2,167)	(4,500)
(Decrease) increase in due to Waterside Coalition, Inc.	(2,258)	2,258
Decrease(increase) in other receivables	8,500	(4,361)
(Decrease) increase in accounts payable and accrued expenses	(14,670)	13,410
(Decrease) increase in custodial accounts	-	(6,666)
	<hr/>	<hr/>
Net cash (used in) from operating activities	(20,312)	(43,494)
Net cash (used in) from investing activities		
Purchase of fixed assets	(1,174)	(600)
	<hr/>	<hr/>
Net increase (decrease) in cash	(21,486)	(44,094)
Cash and cash equivalents - beginning of year	66,858	110,952
	<hr/>	<hr/>
Cash and cash equivalents - end of year	<u>\$ 45,372</u>	<u>\$ 66,858</u>

See independent auditors' report and notes to financial statements

**STAMFORD PARTNERSHIP INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 and 2007**

NOTE 1 – Organization

Stamford Partnership Inc. (the “Organization”) is a public/private partnership working to enhance the quality of life for those who live and/or work in Stamford, Connecticut. For the years ended June 30, 2008 and 2007, respectively, approximately 98% of the Organization’s support and revenue was in the form of corporate contributions and 39% and 36% was from the City of Stamford.

In the year ended June 30, 2007 the Eastside Partnership, Inc. and the Waterside Coalition, Inc. became independent entities. Their financial positions and results of operations are not included in the accompanying June 30, 2007 financial statements. The distribution of the net assets of these entities is recorded as a transfer of assets in the statement of activities.

NOTE 2 – Significant Accounting Policies

Financial Statement Presentation

The Organization prepares its financial statements using guidelines established under Statement of Financial Accounting Standards (SFAS) No. 117 “Financial Statements of Not-For-Profit Organizations. SFAS 117 requires that a non-profit organization provide information regarding the net assets of the organization based on the existence or absence of donor-imposed restrictions.

The types of restrictions are described as follows:

Temporarily restricted net assets -The part of net assets of a not-for-profit organization resulting from contributions and other inflows of assets whose use by the organization is limited by donor – imposed stipulations that either expire by passage of time or can be fulfilled by actions of the organization pursuant to those stipulations.

Permanently restricted net assets - The part of net assets of a not-for-profit organization resulting from contributions and other inflows of assets whose use by the organization is limited by donor – imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization pursuant to those stipulations.

Unrestricted net assets- The part of net assets of a not-for-profit organization that is neither permanently restricted nor temporarily restricted by donor- imposed stipulations.

**STAMFORD PARTNERSHIP INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 and 2007**

Contributions

Contributions are recognized when a donor makes a promise to give to the Organization, that is, in substance, unconditional. Support that is restricted by the donor is reported as unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is recorded as temporarily restricted or permanently restricted support depending on the nature of the restriction. There are no permanently restricted assets

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash Equivalents

For the purpose of the statement of cash flows, the Organization considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Fixed Assets

The Organization records purchased fixed assets at cost. Depreciation is calculated on the straight – line basis over the assets' useful lives. The Organization capitalizes acquisitions in excess of \$500.

Donated Facilities

The Organization records the value of donated facilities as revenue with an equivalent amount recorded as expense. The value of this donation, \$23,760 in 2008 and 2007, was determined using the fair value of donated facilities.

Functional Expenses

The Organization allocates its expenses on a functional basis among its program and support services. Expenses that can be specifically identified with a program or support service are allocated directly according to their natural classifications. Other expenses that are common to several functions are allocated based upon estimates made by management.

**STAMFORD PARTNERSHIP INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 and 2007**

Custodial Account

The Organization had previously maintained a custodial bank account for the Stamford Police Department for various activities. In the year ended June 30, 2007 the Partnership discontinued this practice and the funds were distributed to the Stamford Police Department.

Concentration of Credit Risk

The Partnership maintains its cash balances at one financial institution. Accounts at this institution is insured by the Federal Deposit Insurance Corporation up to \$250,000.

NOTE 3 – Income Taxes

Pursuant to a determination letter received from the Internal Revenue Service, the Organization is exempt from income taxes under section 501 (c) (3) of the Internal Revenue Code.

NOTE 4 – Promises to Give

At June 30, 2008 and 2007 , contributors to the organization have unconditionally promises to give \$0 and \$28,000. respectively. All promises to give are due within one year. The organization believes that all promises to give are fully collectable as there is no history of uncollectible accounts.

NOTE 5 – Fixed Assets

Fixed assets consist of the following	<u>2008</u>	<u>2007</u>
Equipment	\$ 14,490	\$ 13,316
Furniture	<u>3,020</u>	<u>3,020</u>
	17,510	16,336
Less accumulated depreciation	<u>(16,137)</u>	<u>(14,548)</u>
	<u>\$ 1,373</u>	<u>\$ 1,788</u>

**STAMFORD PARTNERSHIP INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2008 and 2007**

NOTE 6 – Program Service

The primary program service of the Organization in 2008 and 2007 was consulting services for the Stamford Housing Authority.

In the years ended June 30, 2008 and 2007 \$52,500 and \$50,000 respectively of program service was from the Stamford Housing Authority and \$ 5,000 and \$-0- respectively was from the Eastside Partnership, Inc.

NOTE 7- Temporarily Restricted Net Assets

Net assets released from restrictions and spent during the years ended June 30, 2008 and 2007 were as follows:

	<u>2008</u>	<u>2007</u>
Immigration	\$ 29,931	\$ 29,499
Office equipment	525	-0-
Education	11,250	-0-
Neighborhood Revitalization		
Westside	28,969	24,981
Waterside Coalition	-0-	3,072
East Side Partnership	<u>-0-</u>	<u>16,684</u>
	<u>\$ 70,675</u>	<u>\$ 74,236</u>

Temporarily restricted net assets at June 30, 2008 and 2007 were available for the following purposes:

	<u>2008</u>	<u>2007</u>
Immigration	\$ -0-	\$ 6,501
Education	50	5,000
Office equipment	2,475	3,000
Neighborhood Revitalization - West Side	<u>-0-</u>	<u>28,969</u>
	<u>\$ 2,525</u>	<u>\$ 43,470</u>