

Vincent M. Carotenuto, C.P.A.

Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
American Society of Botanical Artists, Inc.
2900 Southern Blvd.
Bronx, New York 10458-5126

We have reviewed the accompanying statements of financial position of American Society of Botanical Artists, Inc. (a not-for-profit organization) as of December 31, 2013 and 2012, and the related statements of changes in fund balance, statements of operating activities, statements of cash flows, and statements of supporting services for the years then ended. 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 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 review, 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.



Vincent M. Carotenuto, CPA
June 2, 2014

**American Society of Botanical Artists, Inc.
Statements of Financial Position**

	<u>As at December 31, 2013</u>	<u>As at December 31, 2012</u>
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 389,219	\$ 353,611
Accounts Receivable	3,635	3,100
Prepaid Expenses	<u>1,000</u>	<u>1,000</u>
Total Current Assets	393,854	357,711
Fixed Assets, Net of Depreciation	<u>863</u>	<u>1,439</u>
Total Assets	<u><u>\$ 394,717</u></u>	<u><u>\$ 359,150</u></u>
Liabilities & Fund Balance		
Liabilities:		
Accounts Payable and Accrued Expenses	\$ 6,857	\$ 8,242
Commitments and Contingent Liabilities	-	-
Deferred Revenue	<u>64,223</u>	<u>-</u>
Total Liabilities	71,080	8,242
Total Fund Balances	<u>323,636</u>	<u>350,908</u>
Total Liabilities & Fund Balance	<u><u>\$ 394,717</u></u>	<u><u>\$ 359,150</u></u>

The attached Accountant's Review Report and Notes
are an integral part of these financial statements

**American Society of Botanical Artists, Inc.
Statements of Changes in Fund Balances**

	<u>As at December 31, 2013</u>	<u>As at December 31, 2012</u>
Unrestricted funds		
Beginning of year	\$ 344,363	\$ 349,344
Operating Activities, net	<u>(27,272)</u>	<u>(4,981)</u>
End of year	\$ 317,091	\$ 344,363
Temporarily restricted funds		
Beginning of year	\$ 6,545	\$ 2,520
Operating Activities, net	<u>-</u>	<u>4,025</u>
End of year	<u>\$ 6,545</u>	<u>\$ 6,545</u>
Total Fund Balances	<u><u>\$ 323,636</u></u>	<u><u>\$ 350,908</u></u>

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**American Society of Botanical Artists, Inc.
Statements of Operating Activities**

	<u>For Year Ended December 31, 2013</u>	<u>For Year Ended December 31, 2012</u>
Public Support and Revenue:		
Membership dues and fees	\$ 105,883	\$ 98,989
Program income	35,348	32,800
Fundraising events	-	19,189
Contributions	56,794	62,416
Temporarily restricted grants	3,000	4,025
Interest Income	<u>1,540</u>	<u>1,844</u>
Total Public Support and Revenue	202,565	219,264
Expenses:		
Program Services:		
Temporarily restricted grants	3,000	-
Unrestricted grants and other assistance	2,000	8,500
Promotional materials	<u>-</u>	<u>33,562</u>
Total Program Services	5,000	42,062
Supporting Services:		
Management and General	<u>224,836</u>	<u>178,158</u>
Total Supporting Services	<u>224,836</u>	<u>178,158</u>
Total Expenses	<u>229,836</u>	<u>220,220</u>
Operating Activities, net	<u><u>\$ (27,272)</u></u>	<u><u>\$ (956)</u></u>

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**American Society of Botanical Artists, Inc.
Statements of Cash Flows**

	<u>For Year Ended December 31, 2013</u>	<u>For Year Ended December 31, 2012</u>
Cash flows from Operating Activities:		
Operating Activities, net	\$ (27,272)	\$ (956)
Depreciation	576	360
Adjustments to reconcile operating activities to net cash provided (used) by operating activities:		
Change in working capital accounts:		
Accounts Receivable	(535)	4,628
Accounts Payable and Accrued Expenses	<u>62,838</u>	<u>(5,202)</u>
Increase (Decrease) in Cash due to Operating Activities	35,608	(1,170)
Cash flows from Investing Activities	-	-
Cash flows from Financing Activities:		
Acquisition of Fixed Assets	<u>-</u>	<u>(1,799)</u>
Increase (Decrease) in Cash due to Financing Activities	<u>-</u>	<u>(1,799)</u>
Increase (Decrease) in Cash	35,608	(2,969)
Cash Beginning of Year	<u>353,611</u>	<u>356,580</u>
Cash End of the Year	<u><u>\$ 389,219</u></u>	<u><u>\$ 353,611</u></u>

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**American Society of Botanical Artists, Inc.
Statements of Supporting Services**

	<u>For Year Ended December 31, 2013</u>	<u>For Year Ended December 31, 2012</u>
Management and General expenses		
Salaries and related payroll expenses	\$ 123,909	\$ 108,963
Computer and internet	20,160	6,431
Insurance	8,470	8,203
Office, postage, supplies and miscellaneous	34,342	41,901
Professional fees	36,996	12,300
Travel	383	-
Depreciation	576	360
	<u>224,836</u>	<u>178,158</u>
Total Management and General expenses	<u>\$ 224,836</u>	<u>\$ 178,158</u>

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American Society of Botanical Artists, Inc.
Notes to financial statements

Note 1 - Organization

American Society of Botanical Artists, Inc. (the Organization) is a not-for-profit organization, dedicated to promoting public awareness of contemporary botanical art, to honoring its traditions, and to furthering its development.

Note 2 - Summary of significant accounting policies

a - Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting. All revenue and support are recorded when earned rather than when received. All related expenses and operating expenses are recorded when incurred rather than when paid.

The organization follows the Financial Accounting Standards Board (FASB) ASC 958 (formerly SFAS No. 116 and 117). Under these statements, organizations are required to report information regarding their financial position and activities according to separate classes of net assets, which are defined as follows:

Permanently restricted - 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. The Organization did not have permanently restricted assets or contributions during the year ended December 31, 2013.

Temporarily restricted - 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 and removed by actions of the organization pursuant to those stipulations. During 2013, the Organization had temporarily restricted funds.

Unrestricted - contributions and other inflow of assets whose use by the organization is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

b - Contributions

Under FASB ASC 958-310-50 (formerly SFAS No. 116), contributions received with donor stipulations for the money to be used for specific purposes or at a specific future time and whose restrictions have not been satisfied as of the end year, are recorded as temporarily restricted.

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b - Contributions (cont'd)

Contributions received with donor restrictions that have been satisfied within the same fiscal year are recorded as unrestricted. Under FASB ASC 958-310-50, all unconditional promises to give are recorded in the period the promise is made. As a result, multi year pledges which do not contain conditions, are recorded as temporarily restricted at their net realizable value.

c - Government Grants

Government grants are not considered contributions because they contain traits that are more closely associated with exchange transactions. Government grants advances represent the portion of cash received on government grants before services have been performed.

The Organization did not have Government grants during the year ended December 31, 2013.

d - Expense Allocation

The costs of providing various programs and other activities have been summarized on a function basis in the statement of operating activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

e - Property and Equipment

Purchases of furniture, equipment and renovations are capitalized and recorded at cost. Depreciation is provided for annually, based on the useful lives of the assets.

f - Cash and Cash Equivalents

Cash and cash equivalents consist of all cash in bank and any highly liquid financial instruments purchased with a maturity of three months or less.

g - Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist principally of temporary cash investments. The Organization places its temporary cash investments with financial institutions that have \$250,000 limits of insurance from the FDIC.

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h - Management Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, results could differ from those estimates.

i - Tax Status

The Organization is a not-for-profit organization that is exempt from federal income taxes under the provisions of section 501(c) 3 of the Internal Revenue Code. The Organization is also exempt from State income taxes and as a result, no provisions for income taxes have been made in these financial statements.

j - Comparative Financial Information

The financial statements for the year ended December 31, 2013 and 2012, have been presented according to GAAP.

Note 3 - Temporary Cash Investments

The Organization keeps various active bank accounts and Certificates of Deposit. No individual account held a balance greater than \$100,000 at year end.

Note 4 - Commitments and Contingent liabilities

The Organization occupies offices on the campus of The New York Botanical Garden, for which it does pay any rent. There are no contingent liabilities or existing legal or lease obligations.

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