

**THE HOLOCAUST MEMORIAL AND  
TOLERANCE CENTER  
OF NASSAU COUNTY, INC.  
COMPARATIVE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2014 AND 2013**



**FEIN & FEIN, P.C.**

Certified Public Accountants

**- C O N T E N T S -**

Independent Auditors' Report .....	1
Statements of Financial Position .....	2
Statements of Activities .....	3
Statements of Functional Expenses .....	4
Statements of Cash Flows .....	5
Notes to Financial Statements .....	6-10



**FEIN & FEIN, P.C.**

Certified Public Accountants

100 Jericho Quadrangle - Suite 333

Jericho, NY 11753

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
The Holocaust Memorial and  
Tolerance Center of Nassau County, Inc.  
Glen Cove, New York

We have audited the accompanying financial statements of The Holocaust Memorial and Tolerance Center of Nassau County, Inc., (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities, functional expenses and the 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 misstatement, 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 misstatement 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 evaluating 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 The Holocaust Memorial and Tolerance Center of Nassau County, Inc., as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

April 23, 2015

(516) 935-6700 fax (516) 932-5401  
FeinCPAs@feinaccountants.com

**THE HOLOCAUST MEMORIAL AND  
TOLERANCE CENTER OF NASSAU COUNTY, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2014 AND 2013**

**ASSETS**

	<u>2014</u>	<u>2013</u>
Cash and Cash Equivalents .....	\$ 291,862	\$ 644,070
Contributions Receivable .....	18,000	64,289
Prepaid Expenses and Other Current Assets .....	27,801	22,220
Property and Equipment .....	<u>2,105,136</u>	<u>1,981,052</u>
<b>TOTAL ASSETS .....</b>	<b><u>\$ 2,442,799</u></b>	<b><u>\$ 2,711,631</u></b>

**LIABILITIES AND NET ASSETS**

LIABILITIES:

Accounts Payable and Accrued Expenses .....	\$ 32,191	\$ 43,732
Deferred Revenue .....	<u>1,870</u>	<u>0</u>
<b>TOTAL LIABILITIES .....</b>	<b><u>34,061</u></b>	<b><u>43,732</u></b>

NET ASSETS:

Unrestricted .....	2,393,738	2,321,614
Temporarily Restricted .....	<u>15,000</u>	<u>346,285</u>
<b>TOTAL NET ASSETS .....</b>	<b><u>2,408,738</u></b>	<b><u>2,667,899</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS .....</b>	<b><u>\$ 2,442,799</u></b>	<b><u>\$ 2,711,631</u></b>

See notes to financial statements.

**THE HOLOCAUST MEMORIAL AND TOLERANCE CENTER OF NASSAU COUNTY, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	2014			2013		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
<b>REVENUES:</b>						
Contributions	\$ 67,063	-	\$ 67,063	\$ 121,790	-	\$ 121,790
Contributed Use of Facility	230,000	-	230,000	230,000	-	230,000
Contributed Professional Services	10,000	-	10,000	-	-	-
Annual Fundraising Dinner	319,079	-	319,079	348,207	-	348,207
Contributions - Special Events	416,406	-	416,406	321,140	-	321,140
Program Revenue	37,894	-	37,894	55,832	-	55,832
Grants	155,000	25,500	180,500	113,590	95,000	208,590
Interest	712	-	712	1,388	-	1,388
Net Assets Released from Restrictions:						
Purchase of Fixed Assets	281,285	(281,285)	-	436,715	(436,715)	-
Expenditure of Program Expenses	75,500	(75,500)	-	74,535	(74,535)	-
<b>Total Revenues</b>	<b>1,592,939</b>	<b>(331,285)</b>	<b>1,261,654</b>	<b>1,703,197</b>	<b>(416,250)</b>	<b>1,286,947</b>
<b>EXPENSES:</b>						
Program Services	992,794	-	992,794	888,183	-	888,183
General and Administrative	285,254	-	285,254	217,292	-	217,292
Fundraising	242,767	-	242,767	438,352	-	438,352
<b>Total Expenses</b>	<b>1,520,815</b>	<b>-</b>	<b>1,520,815</b>	<b>1,543,827</b>	<b>-</b>	<b>1,543,827</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>72,124</b>	<b>(331,285)</b>	<b>(259,161)</b>	<b>159,370</b>	<b>(416,250)</b>	<b>(256,880)</b>
<b>NET ASSETS, Beginning</b>	<b>2,321,614</b>	<b>346,285</b>	<b>2,667,899</b>	<b>2,162,244</b>	<b>762,535</b>	<b>2,924,779</b>
<b>NET ASSETS, Ending</b>	<b>\$ 2,393,738</b>	<b>\$ 15,000</b>	<b>\$ 2,408,738</b>	<b>\$ 2,321,614</b>	<b>\$ 346,285</b>	<b>\$ 2,667,899</b>

See notes to financial statements.

**THE HOLOCAUST MEMORIAL AND TOLERANCE CENTER OF NASSAU COUNTY, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	2014			2013			Total
	Program Services	General and Administrative	Fundraising	Program Services	General and Administrative	Fund Raising	
Contributed Use of Facility	\$ 207,000	\$ 11,500	\$ 11,500	\$ 207,000	\$ 11,500	\$ 11,500	\$ 230,000
Contributed Professional Services	6,667	3,333	-	-	-	-	10,000
Payroll and Other Employee Related Expenses	257,780	218,577	68,672	252,753	156,638	174,204	583,595
Insurance	25,886	8,564	573	28,223	4,980	-	33,203
Public Relations & Marketing	1,765	-	3,392	2,236	-	10,707	12,943
Education	71,451	-	566	69,251	-	-	69,251
Library	-	-	-	338	-	-	338
Membership Dues	-	-	-	2,450	-	-	2,450
Special Events	121,221	-	-	37,646	-	-	37,646
Consultants	-	150	27,759	18,127	2,014	-	20,141
Computer	10,370	2,921	2,715	15,699	826	-	16,525
Fundraising Events	-	-	104,856	-	-	207,508	207,508
Office and General Expenses	5,818	7,643	635	-	14,884	-	14,884
Professional Services	-	10,500	-	-	10,500	-	10,500
Rental Equipment	4,310	39	439	4,310	239	239	4,788
Repairs and Maintenance	18,051	5,990	-	18,857	2,357	2,357	23,571
Postage	4,256	-	198	5,998	375	1,124	7,497
Telephone	1,498	83	83	1,439	80	80	1,599
Printing and Publication	250	-	-	1,907	-	100	2,007
Supplies	11,428	2,675	1,706	14,289	794	794	15,877
Website	5,274	-	4,144	4,492	962	13,796	19,250
Store	760	-	-	2,590	-	-	2,590
Broadband	11,770	654	654	12,202	678	678	13,558
Utilities	9,983	555	555	9,837	546	546	10,929
Bad Debts	-	-	2,250	-	-	4,800	4,800
<b>Total Expenses Before Depreciation</b>	<b>775,538</b>	<b>273,184</b>	<b>230,697</b>	<b>709,644</b>	<b>207,373</b>	<b>428,433</b>	<b>1,345,450</b>
<b>Depreciation</b>	<b>217,256</b>	<b>12,070</b>	<b>12,070</b>	<b>178,539</b>	<b>9,919</b>	<b>9,919</b>	<b>198,377</b>
<b>Total Expenses</b>	<b>\$ 992,794</b>	<b>\$ 285,254</b>	<b>\$ 242,767</b>	<b>\$ 888,183</b>	<b>\$ 217,292</b>	<b>\$ 438,352</b>	<b>\$ 1,543,827</b>

See notes to financial statements.

**THE HOLOCAUST MEMORIAL AND  
TOLERANCE CENTER OF NASSAU COUNTY, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

CASH FLOWS FROM OPERATING ACTIVITIES:		
	<u>2014</u>	<u>2013</u>
Decrease in Net Assets .....	\$ (259,161)	\$ (256,880)
Adjustments to Reconcile Decrease in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation .....	241,396	198,377
Changes in Assets and Liabilities:		
Decrease in Contributions Receivable .....	46,289	30,461
Increase in Prepaid Expenses and Other Current Assets .....	(5,581)	(60)
Decrease in Accounts Payable and Accrued Expenses .....	(11,541)	(2,778)
Increase in Deferred Revenue .....	<u>1,870</u>	<u>0</u>
Net Cash Provided (Used) by Operating Activities .....	<u>13,272</u>	<u>(30,880)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property and Equipment .....	<u>(365,480)</u>	<u>(436,715)</u>
Net Cash Used by Investing Activities .....	<u>(365,480)</u>	<u>(436,715)</u>
NET DECREASE IN CASH .....	(352,208)	(467,595)
CASH AND CASH EQUIVALENTS, Beginning .....	<u>644,070</u>	<u>1,111,665</u>
CASH AND CASH EQUIVALENTS, Ending .....	<u><u>\$ 291,862</u></u>	<u><u>\$ 644,070</u></u>

See notes to financial statements.

**THE HOLOCAUST MEMORIAL AND  
TOLERANCE CENTER OF NASSAU COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

The Holocaust Memorial and Tolerance Center of Nassau County, Inc., (the "Center") was organized pursuant to New York State Not-for-Profit Corporation Law on July 7, 1989. The Center was established for the following purposes:

- to engage in the general activities necessary to promote public awareness, throughout Long Island and Queens, New York of the historical significance of the Holocaust;
- to establish and utilize a facility in the County, with the cooperation of the County and the various educational school systems and institutions located therein, for educational programs that increase public awareness of the importance of the Holocaust so that the experience of the Holocaust may be forever prevented from recurring;
- to establish a continuing program of research and support outside research and to publish and disseminate the findings from such research;
- to establish within the aforementioned facility a suitable memorial for the victims of the Holocaust;
- to assist organizations already existing, or established in the future, for charitable and educational purposes; and
- to teach the lessons of the Holocaust via student and adult tolerance workshops.

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

The Center presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 (formerly Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements for Not-for-Profit Organizations*). Accordingly, the Center reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.



**THE HOLOCAUST MEMORIAL AND  
TOLERANCE CENTER OF NASSAU COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Unrestricted Net Assets

Unrestricted net assets include unrestricted resources which represent the portion of funds that are available for the operating objectives of the Center.

Temporarily Restricted Net Assets

Temporarily restricted net assets consist of donor restricted contributions and grants. Amounts restricted by donors for specific purposes are deemed to be earned and reported as temporarily restricted revenue, when received, and such unexpended amounts are reported as temporarily restricted net assets at year-end. When the donor restriction expires, that is, when a stipulated time or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as “net assets released from restrictions”. At December 31, 2014 and 2013, the Center’s temporarily restricted net assets amounted to \$15,000 and \$346,285, respectively.

Permanently Restricted Net Assets

Permanently restricted net assets consist of donor restricted contributions, which are required to be held in perpetuity. Income from the assets held is available for either general operations or specific purposes, in accordance with donor stipulations. The Center had no permanently restricted net assets at December 31, 2014 and 2013.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For financial statement purposes, the Center considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents. At December 31, 2014, bank balances exceeded coverage provided by the Federal Deposit Insurance Corporation by approximately \$42,000.

Temporarily Restricted Cash

Included in the cash balance at December 31, 2014 is temporarily restricted cash of \$15,000. The cash is temporarily restricted for the use of educational programs.

**THE HOLOCAUST MEMORIAL AND  
TOLERANCE CENTER OF NASSAU COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Property, Equipment and Depreciation

The Center capitalizes all purchases of property and equipment in excess of \$1,000. Purchased property and equipment are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Depreciation is provided by the straight-line method over the estimated useful lives of the assets (5-40 years).

Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, contributions receivable, and accounts payable and accrued expenses, approximate fair value due to the relatively short maturity of these instruments.

Collections

The Center's collections are made up of artifacts of historical significance, books, and art objects that are held for educational, research, and curatorial purposes. Each of the items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. The collections are subject to a policy that requires proceeds from their sales to be used to acquire other items for collections.

The collections, which were acquired through purchases and contributions since the Center's inception, are not recognized as assets on the statement of financial position. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired, or as temporarily or permanently restricted net assets if the assets used to purchase the items are restricted by donors. Contributed collection items are not reflected on the financial statements. Proceeds from deaccessions or insurance recoveries are reflected as an increase in the appropriate net asset classes.

Income Taxes

The Center is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service ("IRS") as other than a private foundation.

The Center's Form 990, *Return of Organization Exempt from Income Tax*, for the years ending December 31, 2011 through December 31, 2013 is subject to examination by the IRS, generally for three years after it was filed.

**THE HOLOCAUST MEMORIAL AND  
TOLERANCE CENTER OF NASSAU COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Contributions

Pursuant to FASB ASC 958 (formerly SFAS No. 116, *Accounting for Contributions Received and Contributions Made*), contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Contributed Services and Property

Contributions of donated noncash assets are recorded at their fair values in the periods received. Donated services, that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations, are recorded at their fair values in the periods received.

Functional Allocation Expenses

The cost of providing the program and supporting services has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services in reasonable amounts determined by management.

**NOTE 2- TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets at December 31, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Capital Projects	\$ 0	\$281,285
Educational Programs	15,000	65,000
Total Temporarily Restricted Net Assets	<u>\$ 15,000</u>	<u>\$346,285</u>

**NOTE 3- CONTRIBUTIONS RECEIVABLE**

Contributions receivable at December 31, 2014 and 2013, are as follows:

	<u>2014</u>	<u>2013</u>
Unconditional Promises to Give	\$ 18,000	\$ 64,289
Total Contributions Receivable	<u>\$ 18,000</u>	<u>\$ 64,289</u>

Amounts Due in Less Than One Year	<u>\$ 18,000</u>	<u>\$ 64,289</u>
-----------------------------------	------------------	------------------

**THE HOLOCAUST MEMORIAL AND  
TOLERANCE CENTER OF NASSAU COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 4- PROPERTY AND EQUIPMENT**

Major classes of property and equipment consist of the following at December 31, 2014 and 2013:

	Estimated Useful Life- Years	<u>2014</u>	<u>2013</u>
Leasehold Improvements	15 - 40	\$2,276,612	\$2,025,692
Furniture and Fixtures	5	828,463	787,769
Equipment	5	<u>250,515</u>	<u>176,649</u>
		3,355,590	2,990,110
Less: Accumulated Depreciation		<u>1,250,454</u>	<u>1,009,058</u>
Net Property and Equipment		<u>\$2,105,136</u>	<u>\$1,981,052</u>

**NOTE 5- CONTRIBUTED SERVICES, MATERIAL AND FACILITY**

A substantial number of volunteers have donated significant amounts of time to the Center's program services during the year. Only contributed professional services of \$10,000 and \$0 have been recognized in the accompanying statement of activities for the years ended December 31, 2014 and 2013, respectively because the criteria for recognition of other volunteer efforts under FASB ASC 958 (formerly SFAS No. 116) have not been satisfied.

The Center has a lease agreement with Nassau County for the use of the Mansion house at Welwyn Preserve, City of Glen Cove, that runs through December 31, 2035. The annual rent is \$1. In addition, the Center is responsible for utilities of approximately \$2,500 per quarter. Fair value of the annual rental is estimated to be \$230,000 and it is included in contributions and expenses in the statement of activities for both years ended December 31, 2014 and 2013.

**NOTE 6- EMPLOYEE BENEFIT PLAN**

The Center sponsors a salary reduction contribution plan effective January 1, 2013, pursuant to Section 403(b) of the Internal Revenue Code, covering substantially all employees. Under the plan, employees contribute a specified percentage of their salary or a fixed dollar amount, to the plan. The Center may agree to make "nonelective" contributions to their employees' 403 (b) plans. There were no "nonelective" contributions made by the Center for the years ended December 31, 2014 and 2013.

**NOTE 7- SUBSEQUENT EVENTS**

The Center has evaluated subsequent events through April 23, 2015, the date which the financial statements were available to be issued.