

**Design Trust for Public Space, Inc.  
Financial Statements  
December 31, 2011**

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Independent Auditor's Report

To the Board of Trustees  
of Design Trust for Public Space, Inc.

I have audited the accompanying statement of financial position of Design Trust for Public Space, Inc., as of December 31, 2011, and the related statements of activities, cash flows and functional expenses for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my 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, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on page 6 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly I express no opinion about it. This supplemental information is the responsibility of the Organization's management.



June 14, 2012

**Design Trust for Public Space, Inc.**  
**Statement of Financial Position**  
**December 31, 2011**  
**(With Summarized Financial Information for 2010)**

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
Current Assets		
Cash	\$ 334,545	\$ 355,887
Short-term investment	6,000	14,955
Accounts receivable	-	1,402
Pledges and grants receivable	77,342	59,312
Prepaid expenses	3,105	1,553
	420,992	433,109
Security deposit	8,627	4,236
Property and equipment, net	27,508	13,662
	\$ 457,127	\$ 451,007
<b>Liabilities and Net Assets</b>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 45,094	\$ 28,151
Tenant security deposit	-	800
	45,094	28,951
Net Assets		
Unrestricted	281,835	283,045
Temporarily restricted	130,198	139,011
	412,033	422,056
	\$ 457,127	\$ 451,007

See notes to these financial statements and independent auditor's report.

**Design Trust for Public Space, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 2011**  
**(With Summarized Financial Information for 2010)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total 2011</u>	<u>Total 2010</u>
<b>Support and Revenue</b>				
Contributions and grants	\$ 314,685	\$ 91,500	\$ 406,185	\$ 548,118
Government agencies	-	124,500	124,500	87,369
	<u>314,685</u>	<u>216,000</u>	<u>530,685</u>	<u>635,487</u>
Special events income	235,864	-	235,864	215,832
Less: direct costs of special event	(68,650)	-	(68,650)	(62,833)
	<u>167,214</u>	<u>-</u>	<u>167,214</u>	<u>152,999</u>
Rental income	11,360	-	11,360	17,040
Publication and program fees	11,002	-	11,002	2,014
Investment and interest income	500	-	500	262
Satisfaction of program restrictions	224,813	(224,813)	-	-
Total support and revenue	<u>729,574</u>	<u>(8,813)</u>	<u>720,761</u>	<u>807,802</u>
<b>Expenses</b>				
Program services	497,719	-	497,719	413,052
Supporting services:				
General and administrative	82,104	-	82,104	60,808
Fund-raising	150,961	-	150,961	143,890
	<u>233,065</u>	<u>-</u>	<u>233,065</u>	<u>204,698</u>
Total expenses	<u>730,784</u>	<u>-</u>	<u>730,784</u>	<u>617,750</u>
Increase (decrease) in net assets	(1,210)	(8,813)	(10,023)	190,052
Beginning net assets	283,045	139,011	422,056	232,004
Ending net assets	<u>\$ 281,835</u>	<u>\$ 130,198</u>	<u>\$ 412,033</u>	<u>\$ 422,056</u>

See notes to these financial statements and independent auditor's report.

**Design Trust for Public Space, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2011**  
**(With Summarized Financial Information for 2010)**

	<u>2011</u>	<u>2010</u>
<b>Cash Flows from Operating Activities</b>		
Increase (decrease) in net assets	\$ (10,023)	\$ 190,052
Adjustment to increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	10,071	4,445
(Increase) decrease in:		
Prepaid expenses	(1,552)	(1,401)
Accounts receivable	1,402	(1,402)
Pledges and grants receivable	(18,030)	4,767
Security deposit	(4,391)	(800)
Increase in:		
Accounts payable and accrued expenses	16,944	8,485
Tenant security deposit	(800)	800
Net cash provided (used) by operating activities	(6,379)	204,946
<b>Cash Flows from Investing Activities</b>		
Purchase of equipment	(23,918)	-
Net increase in short-term investments	8,955	(8,924)
Net cash used in investing activities	(14,963)	8,924
Increase (decrease) in Cash	(21,342)	196,022
Beginning Cash	355,887	159,865
Ending Cash	\$ 334,545	355,887

See notes to these financial statements and independent auditor's report.

**Design Trust for Public Space, Inc.**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2011**  
(With Summarized Financial Information for 2010)

	<u>Program Services</u>		<u>Supporting Services</u>			<u>Total 2011</u>	<u>Total 2010</u>
			<u>General and Administrative</u>	<u>Fund-raising</u>	<u>Direct Costs of Special Event</u>		
Salaries and wages	\$	194,007	\$ 54,437	\$ 82,019	\$ -	\$ 330,463	311,835
Payroll taxes		15,855	4,611	8,360	-	28,826	27,607
Employee benefits		16,694	4,857	8,800	-	30,351	24,903
Payroll processing and HR service fees		5,280	1,536	2,784	-	9,600	10,318
Professional fees - program projects (see note 7)		134,500	-	2,000	-	136,500	-
Catering		1,294	-	7,952	22,941	32,187	29,561
Occupancy		16,918	4,922	8,920	-	30,760	44,631
Fellowship and honoraria awards		44,476	-	1,500	-	45,976	54,227
Website and other expenses		4,279	11	361	-	4,651	14,736
Office supplies and other		8,271	2,076	3,635	1,252	15,234	9,995
Venue		-	-	-	12,775	12,775	9,850
Interns and temporary help		9,977	96	174	-	10,247	2,536
Depreciation		5,537	1,613	2,921	-	10,071	4,445
Bookkeeping fees		4,967	1,445	2,618	-	9,030	9,420
Installation and tear-down		-	-	-	8,644	8,644	7,515
Postage and delivery		3,275	28	436	4,494	8,233	9,318
Travel, meetings and meals		4,026	84	1,457	2,558	8,125	3,680
Accounting fees		4,400	1,280	2,320	-	8,000	6,500
Telephone		4,239	1,226	2,225	42	7,732	4,875
Printing and production		(188)	572	2,380	3,635	6,399	14,233
Graphic design		3,048	71	1,431	1,800	6,350	17,200
Bank charges and fees		686	113	1,976	3,327	6,102	5,494
Moving expenses		2,860	832	1,508	-	5,200	-
Equipment rental and maintenance		3,228	153	279	976	4,636	4,227
Utilities and services		1,871	544	987	-	3,402	4,167
Technology services		1,785	519	941	-	3,245	9,177
Displays and props		94	-	67	2,958	3,119	5,751
Insurance		1,489	433	785	-	2,707	4,572
Hospitality and gifts		824	196	833	772	2,625	4,750
Advertising		1,102	133	302	315	1,852	402
Event staff		-	-	-	1,640	1,640	2,281
Conference, convention and meeting		843	68	225	21	1,157	3,173
Books, subscriptions and reference		594	53	312	-	959	980
Membership and registration fees		658	76	142	-	876	1,174
Legal and professional fees		413	119	218	-	750	1,383
Program merchandise		417	-	93	-	510	1,477
Photography		-	-	-	500	500	1,029
Public relations fees		-	-	-	-	-	8,500
Editing and indexing services		-	-	-	-	-	4,661
		<u>497,719</u>	<u>82,104</u>	<u>150,961</u>	<u>68,650</u>	<u>799,434</u>	<u>680,583</u>
Less: direct costs of special event		-	-	-	(68,650)	(68,650)	(62,833)
	<u>\$</u>	<u>497,719</u>	<u>\$ 82,104</u>	<u>\$ 150,961</u>	<u>\$ -</u>	<u>\$ 730,784</u>	<u>617,750</u>

See notes to these financial statements and independent auditor's report.

Design Trust for Public Space, Inc.  
 Supplemental Schedule of Program Expenses  
 Year Ended December 31, 2011  
 (with Summarized Financial Information for 2010

	Program Services										Total 2010
	General Program	Park Design For 21st Century	Taxi 07/ NYSERDA	Made in Midtown	Five Borough Farm	Photo Urbanism 5	Making Midtown	2011-12 Photo Urbanism	Taxi of Tomorrow	Public Space Potlucks	
Salaries and wages	\$ 27,082	\$ 5,598	\$ -	\$ -	\$ 73,595	\$ -	\$ 66,964	\$ 8,073	\$ 8,857	\$ 3,612	\$ 187,241
Payroll taxes	2,594	577	-	-	5,765	-	5,477	577	577	288	16,539
Employee benefits	2,732	607	-	-	6,070	-	5,767	607	607	304	16,694
Payroll processing and HR service fees	864	192	-	-	1,920	-	1,824	192	192	96	6,181
Professional fees - program projects	-	-	84,500	-	-	-	50,000	-	-	-	134,500
Fellowship and honoraria awards	-	1,875	5,251	-	27,000	1,000	7,350	2,000	-	-	44,476
Website and other expenses	660	1	-	480	3,088	-	47	1	1	1	4,279
Occupancy	2,769	615	-	-	6,152	-	5,845	615	615	307	14,120
Interns and temporary help	53	12	-	-	9,098	-	784	12	12	6	26,738
Office supplies and other	1,161	239	-	-	2,596	-	2,273	1,519	239	244	9,977
Depreciation	906	201	-	-	2,014	-	1,913	201	201	101	6,520
Bookkeeping fees	812	181	-	-	1,806	-	1,716	181	181	90	5,537
Accounting fees	720	160	-	-	1,600	-	1,520	160	160	80	5,644
Telephone	698	153	-	-	1,558	-	1,467	153	153	77	4,400
Travel, entertainment and accommodations	259	71	14	9	272	-	311	11	3,064	5	4,239
Postage and delivery	2,208	914	30	10	35	-	68	4	4	2	4,016
Equipment rental and maintenance	87	19	-	-	2,892	-	182	19	19	10	3,271
Graphic design	40	9	-	2,800	90	-	86	9	9	5	3,228
Moving expenses	468	104	-	-	1,040	-	988	104	104	52	2,860
Utilities and services	307	68	-	-	680	-	646	68	68	34	2,496
Technology services	292	65	-	-	649	-	617	65	65	32	1,785
Insurance	243	54	-	-	541	-	515	54	54	28	1,489
Catering and bar	-	(27)	-	-	-	-	1,321	-	-	-	1,294
Advertising	540	17	-	-	167	-	158	195	17	8	1,102
Conference, convention and meeting	113	9	3	55	368	-	225	57	9	4	843
Hospitality and gifts	199	24	-	-	245	-	274	24	46	12	2,141
Bank charges and fees	291	50	-	-	139	39	132	14	50	7	824
Membership and registration fees	57	10	-	-	398	-	93	35	10	55	722
Books, subscriptions and reference	204	7	-	-	266	-	100	7	7	3	899
Program merchandise	-	-	-	-	-	-	417	-	-	-	594
Legal and professional fees	67	15	-	-	150	-	143	15	15	8	417
Displays and props	-	-	-	-	-	-	94	-	-	-	413
Printing and production	322	71	-	(2,559)	715	-	1,085	71	71	36	828
Public relations fees	-	-	-	-	-	-	-	-	-	-	94
Editing and indexing services	-	-	-	-	-	-	-	-	-	-	4,327
Event staff	-	-	-	-	-	-	-	-	-	-	(188)
	\$ 46,748	\$ 11,891	\$ 89,798	\$ 795	\$ 150,889	\$ 1,039	\$ 160,402	\$ 15,043	\$ 15,407	\$ 5,707	\$ 497,719
											413,002

See notes to these financial statements and independent auditor's report.

**Design Trust for Public Space, Inc.**  
**Notes to Financial Statements**  
**December 31, 2011**

**Note 1 - Nature of Activities and Summary of Significant Accounting Policies**

Nature of Activities

Design Trust for Public Space, Inc., is a 501(c) (3) not-for-profit organization committed to improving the design, utility, and understanding of New York City's parks, plazas, streets, and public buildings. We bring together neighborhoods, public agencies, and design professionals to find innovative opportunities for change, making the city more beautiful, sustainable, functional, and available to all.

We Believe:

- The cultural and democratic life of the city depends on viable public space.
- Design excellence is the minimum requirement for all public space.
- Social justice and environmental sustainability must guide public space design.
- Process plays a determining role in the quality of public space.
- Public / private partnership is the only way to achieve these goals.

The Design Trust is the only public space organization that gives city agencies and community groups the means to work collaboratively with private sector design and other professionals. We select projects from across the five boroughs and assemble top-notch cross-disciplinary teams to bring innovation to urban space challenges. These public / private partnerships generate powerful and unexpected working relationships, creating remarkable solutions to complicated public space issues.

Design Trust was incorporated in the State of New York in 1995.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Revenue

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence and / or nature of any donor restrictions. Design Trust has not received any contributions with donor-imposed restrictions that would result in permanently restricted net assets.

Use 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 and disclosures. Accordingly, actual results could differ from those estimates.

See independent auditor's report



**Design Trust for Public Space, Inc.**  
**Notes to Financial Statements**  
**December 31, 2011**

**Note 1 - (Continued)**

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided on the straight line method over the estimated useful lives of the assets.

It is the policy of Design Trust to capitalize items with a value greater than \$1,000.

Income Taxes

Design Trust is exempt from federal income taxes under section 501(c) (3) of the Internal Revenue Code. Therefore no provision for income taxes has been made in the accompanying financial statement

Functional Allocation of Expenses

The costs of providing various program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subsequent Events

In preparing these financial statements, Design Trust has evaluated events and transactions for potential recognition or disclosure through June 14, 2012 the date the financial statements were available to be issued.

Concentrations

The Organization maintains cash balances in one financial institution, which at times exceeds federally insured limits. The Organization has not experienced any losses related to these accounts and believes it is not exposed to any significant credit risk.

**Note 2 – Short-term investment**

Design Trust's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by U.S. generally accepted accounting principles.

**Level 1** assets have observable market prices.

**Level 2** assets do not have observable prices, but have inputs that are based on observable prices.

**Level 3** assets have inputs that do not have observable prices.

See independent auditor's report

**Design Trust for Public Space, Inc.**  
**Notes to Financial Statements**  
**December 31, 2011**

**Note 2 - (Continued)**

Investments consist of the following at market value:

Level 1 Securities:

Stock	<u>\$6,000</u>
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**Note 3 - Property and Equipment**

Property and equipment consists of:

Computers and equipment	\$ 19,513
Leasehold improvements	23,219
Furniture and fixtures	<u>31,382</u>
	74,114
Less: accumulated depreciation	<u>(46,606)</u>
	<u>\$ 27,508</u>

Depreciation was \$10,071 for the year ended December 31, 2011.

**Note 4 – Commitment**

Design Trust for Public Space, Inc., leased its premises on a month by month basis until August 31, 2011.

On June 9, 2011, Design Trust for Public Space, Inc., entered into a ten year lease term for premises beginning September 1, 2011 and expiring August 30, 2021.

Future minimum payments under the lease are:

Year ending December 31, 2012	\$ 25,315
2013	34,526
2014	35,463
2015	36,349
2016	37,258
Thereafter	<u>200,737</u>
	<u>\$369,648</u>

See independent auditor's report

**Design Trust for Public Space, Inc.**  
**Notes to Financial Statements**  
**December 31, 2011**

**Note 5- Employee benefits**

Design Trust maintains a 401(k) retirement plan. Design Trust matches 25% of eligible employee contributions up to a maximum of 3% of compensation.

Design Trust contributed \$4,274 to the plan during fiscal year ended December 31, 2011.

**Note 6 – Temporarily Restricted Net Assets**

Temporarily restricted net assets by revenue source and changes therein for the year ended December 31, 2011, were as follows:

	Balance December 31, 2010	Additions	Releases From Restrictions	Balance December 31, 2011
<b><u>Restricted to time and purpose:</u></b>				
2007 – 2008 Taxi 07	\$ 1,131	\$ -	\$ 1,131	\$ -
2008 – 2011 Taxi 07	-	109,500	109,500	
Made in Midtown	-	66,500	66,500	-
2011 – 12 Photo Urbanism	2,305	-	915	1,390
2009 – 12 Five Borough Farm	135,575	-	33,681	101,894
2012 Five Borough Farm: Phase II	-	5,000	-	5,000
Taxi of Tomorrow	-	25,000	3,086	21,914
Staff Salary Support	-	10,000	10,000	-
	<u>\$ 139,011</u>	<u>\$ 216,000</u>	<u>\$ 224,813</u>	<u>\$ 130,198</u>

**Note 7 – Professional Fees - Program Projects**

This expense in the amount of \$136,500 as shown on page 5 was covered by a temporarily restricted contribution recognized in a prior year in accordance with U.S. GAAP.

See independent auditor's report

**Design Trust for Public Space, Inc.**  
**Financial Statements**  
**December 31, 2011**

**Note 8 - Financial Ratios**

Expenses as a percentage of the total were as follows for the years ended December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Program services	68.11%	66.86%
General and administrative	11.23	9.84
Fund-raising	<u>20.66</u>	<u>23.29</u>
	<u>100.00%</u>	<u>100.00%</u>

See independent auditor's report