

**LINCOLN SQUARE DISTRICT MANAGEMENT  
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORT**

**JUNE 30, 2024 AND 2023**

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**

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## INDEPENDENT AUDITORS' REPORT

To: The Board of Directors of  
Lincoln Square District Management Association, Inc.

### ***Opinion***

We have audited the financial statements of Lincoln Square District Management Association, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Lincoln Square District Management Association, Inc. as of June 30, 2024 and 2023, 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.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lincoln Square District Management Association, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

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 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lincoln Square District Management Association, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user based on these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Lincoln Square District Management Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lincoln Square District Management Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

*Skody Scot & Company, CPAs, P.C.*

New York, NY  
December 5, 2024

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2024 AND 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,945,065	\$ 2,475,699
Certificates of deposit	917,308	375,000
Prepaid expenses	18,349	23,379
Property and equipment, net	118,320	82,361
Right of use asset - operating lease	982,202	1,130,427
Security deposit	26,974	26,974
Total assets	\$ 4,008,218	\$ 4,113,840
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 312,150	\$ 288,576
Lease liability - operating lease	1,047,082	1,183,173
Refundable advances	10,000	10,000
Total liabilities	1,369,232	1,481,749
Net Assets:		
Without donor restrictions	2,292,495	2,265,857
With donor restrictions	346,491	366,234
Total net assets	2,638,986	2,632,091
Total liabilities and net assets	\$ 4,008,218	\$ 4,113,840

See accompanying notes to the financial statements.

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2024 AND 2023**

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenues:</b>						
Assessment revenue	\$ 2,850,000	\$ -	\$ 2,850,000	\$ 2,850,000	\$ -	\$ 2,850,000
Government grants	17,000	-	17,000	-	-	-
Contributions	249,592	-	249,592	245,477	-	245,477
Contributions in-kind	78,000	-	78,000	73,000	-	73,000
Program service revenue	21,859	-	21,859	-	-	-
Interest income	77,172	-	77,172	382	-	382
Net assets released from restriction:						
Satisfaction of purpose restrictions	19,743	(19,743)	-	30,337	(30,337)	-
Total support and revenues	<u>3,313,366</u>	<u>(19,743)</u>	<u>3,293,623</u>	<u>3,199,196</u>	<u>(30,337)</u>	<u>3,168,859</u>
<b>Expenses:</b>						
Program expenses:						
Marketing and promotion	466,981	-	466,981	441,819	-	441,819
Safety	691,946	-	691,946	525,966	-	525,966
Sanitation	1,133,810	-	1,133,810	1,034,781	-	1,034,781
Public improvements	402,764	-	402,764	370,991	-	370,991
Total program expenses	<u>2,695,501</u>	<u>-</u>	<u>2,695,501</u>	<u>2,373,557</u>	<u>-</u>	<u>2,373,557</u>
Management and general	479,443	-	479,443	557,499	-	557,499
Fundraising	111,784	-	111,784	103,805	-	103,805
Total expenses	<u>3,286,728</u>	<u>-</u>	<u>3,286,728</u>	<u>3,034,861</u>	<u>-</u>	<u>3,034,861</u>
Increase/(decrease) in net assets	26,638	(19,743)	6,895	164,335	(30,337)	133,998
Net assets, beginning of year	2,265,857	366,234	2,632,091	2,101,522	396,571	2,498,093
Net assets, end of year	<u>\$ 2,292,495</u>	<u>\$ 346,491</u>	<u>\$ 2,638,986</u>	<u>\$ 2,265,857</u>	<u>\$ 366,234</u>	<u>\$ 2,632,091</u>

See accompanying notes to the financial statements.

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**STATEMENT OF EXPENSES**  
**YEAR ENDED JUNE 30, 2024**

	<b>Program Expenses</b>				<b>Supporting Services</b>			<b>Total Expenses</b>
	<b>Marketing and Promotion</b>	<b>Safety</b>	<b>Sanitation</b>	<b>Public Improvements</b>	<b>Total Program</b>	<b>Management and General</b>	<b>Fundraising</b>	
Personnel costs:								
Management salaries	\$ 107,432	\$ 142,263	\$ 142,263	\$ 137,539	\$ 529,497	\$ 86,583	\$ 86,581	\$ 702,661
Staff salaries	68,803	9,006	27,018	24,016	128,843	20,198	9,644	158,685
Payroll taxes and benefits	30,625	25,465	27,097	26,652	109,839	17,952	15,244	143,035
Outside contractors	51,059	473,711	858,116	182,417	1,565,303	32,295	315	1,597,913
Total personnel costs	<u>257,919</u>	<u>650,445</u>	<u>1,054,494</u>	<u>370,624</u>	<u>2,333,482</u>	<u>157,028</u>	<u>111,784</u>	<u>2,602,294</u>
Direct expenses:								
Depreciation and amortization	25,947	-	-	-	25,947	11,805	-	37,752
Insurance	-	-	-	-	-	18,352	-	18,352
Office expenses	-	-	-	-	-	34,654	-	34,654
Postage and messengers	-	-	-	-	-	2,470	-	2,470
Professional fees	-	17,400	-	-	17,400	19,928	-	37,328
Project expenses	174,091	-	29,325	-	203,416	-	-	203,416
Rent and utilities	-	24,049	29,190	182	53,421	223,514	-	276,935
Supplies and equipment	9,024	52	20,801	31,958	61,835	5,284	-	67,119
Telephone and communications	-	-	-	-	-	6,408	-	6,408
Total direct expenses	<u>209,062</u>	<u>41,501</u>	<u>79,316</u>	<u>32,140</u>	<u>362,019</u>	<u>322,415</u>	<u>-</u>	<u>684,434</u>
Total expenses	<u>\$ 466,981</u>	<u>\$ 691,946</u>	<u>\$ 1,133,810</u>	<u>\$ 402,764</u>	<u>\$ 2,695,501</u>	<u>\$ 479,443</u>	<u>\$ 111,784</u>	<u>\$ 3,286,728</u>

See accompanying notes to financial statements.

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**STATEMENT OF EXPENSES**  
**YEAR ENDED JUNE 30, 2023**

	<u>Program Expenses</u>				<u>Supporting Services</u>			Total Expenses
	Marketing and Promotion	Safety	Sanitation	Public Improvements	Total Program	Management and General	Fundraising	
Personnel costs:								
Management salaries	\$ 82,444	\$ 123,493	\$ 123,535	\$ 117,954	\$ 447,426	\$ 82,002	\$ 82,002	\$ 611,430
Staff salaries	64,827	20,859	21,410	20,859	127,955	19,964	8,547	156,466
Payroll taxes and benefits	22,058	26,355	26,496	27,388	102,297	14,982	13,016	130,295
Outside contractors	29,383	329,202	804,452	189,553	1,352,590	67,501	240	1,420,331
Total personnel costs	<u>198,712</u>	<u>499,909</u>	<u>975,893</u>	<u>355,754</u>	<u>2,030,268</u>	<u>184,449</u>	<u>103,805</u>	<u>2,318,522</u>
Direct expenses:								
Depreciation and amortization	18,576	-	-	-	18,576	11,804	-	30,380
Insurance	-	-	-	-	-	12,634	-	12,634
Office expenses	-	-	-	-	-	36,132	-	36,132
Postage and messengers	-	-	-	-	-	1,753	-	1,753
Professional fees	-	-	-	-	-	38,033	-	38,033
Project expenses	215,718	254	7,050	375	223,397	-	-	223,397
Rent and utilities	-	24,000	24,000	-	48,000	252,775	-	300,775
Supplies and equipment	8,813	1,803	27,838	14,862	53,316	7,672	-	60,988
Telephone and communications	-	-	-	-	-	12,247	-	12,247
Total direct expenses	<u>243,107</u>	<u>26,057</u>	<u>58,888</u>	<u>15,237</u>	<u>343,289</u>	<u>373,050</u>	<u>-</u>	<u>716,339</u>
Total expenses	<u>\$ 441,819</u>	<u>\$ 525,966</u>	<u>\$ 1,034,781</u>	<u>\$ 370,991</u>	<u>\$ 2,373,557</u>	<u>\$ 557,499</u>	<u>\$ 103,805</u>	<u>\$ 3,034,861</u>

See accompanying notes to financial statements.



**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2024 AND 2023**

	<b>2024</b>	<b>2023</b>
Cash flows from operating activities:		
Increase/(decrease) in net assets	\$ 6,895	\$ 133,998
Adjustments for non-cash items included in operating activities:		
Depreciation and amortization	37,752	30,380
Amortization of right of use asset	148,225	178,497
Accretion of lease liability	55,294	61,832
Accrued interest on certificates of deposit	(42,308)	-
(Increases)/decreases in assets:		
Government grants receivable	-	13,368
Prepaid expenses	5,030	-
Increases/(decreases) in liabilities:		
Accounts payable and accrued expenses	23,574	(12,437)
Payment of operating lease liability	(191,385)	(187,583)
Net cash provided/(used) by operating activities	43,077	218,055
Cash flows from investing activities:		
Purchase of certificates of deposit	(500,000)	(375,000)
Purchase of property and equipment	(73,711)	-
Net cash provided/(used) by investing activities	(573,711)	(375,000)
Cash flows from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(530,634)	(156,945)
Cash and cash equivalents, beginning of year	2,475,699	2,632,644
Cash and cash equivalents, end of year	\$ 1,945,065	\$ 2,475,699

**See accompanying notes to the financial statements.**

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

The Association

Lincoln Square District Management Association, Inc. (Association), a nonprofit organization, was incorporated in the State of New York on December 6, 1996. The Association is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal, state or local income taxes has been recorded. The Association does not believe its financial statements contain any uncertain tax positions. The Association primarily receives its support from a real estate special assessment levied by The City of New York (City) on properties located in the Lincoln Square Business Improvement District (District) and from contributions. The District's boundaries are approximately Broadway from 58<sup>th</sup> Street to 70<sup>th</sup> Street, and Columbus Avenue from 60<sup>th</sup> Street to 68<sup>th</sup> Street, as well as two blocks on Central Park West and the east side of Amsterdam Avenue from 60<sup>th</sup> to 70<sup>th</sup> streets.

The Association's programs (as initially disclosed in the District plan) include the following: Safety - providing increased public security and general assistance through a combination of uniformed security officers/ambassadors and a working relationship with the New York City Police Department; Sanitation - maintaining clean streets/curbs/sidewalks and providing garbage removal; Marketing and Promotion - promoting the District to residents and tourists and retaining and developing prospective businesses; and Public Improvements - improving the overall appearance of the District through a combination of beautification and other projects.

As part of its commitment to social services, the District's sanitation and area maintenance program includes utilizing the services of Goddard Riverside Community Center's Green Keepers, a training program for the formerly homeless, who are under contract with the Association to clean the malls five days a week.

Basis of Accounting

The financial statements of the Association have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Use of Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Reclassification

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Cash Equivalents

For the purposes of the statements of financial position and the statements of cash flows, the Association considers money market funds and all highly liquid resources, such as investments in certificates of deposits and treasury bills, with an original maturity to the Association of three months or less, to be cash equivalents.

Certificates of Deposit

The Association reports investments in certificates of deposit with original maturities to the Association at the date of purchase of greater than three months at cost, which approximates fair market value. Investments carried at cost are not required to be classified in one of the levels prescribed by the US GAAP fair value hierarchy. Certificates of deposit include accrued interest in the accompanying statement of financial position.

Property and Equipment

The Association capitalizes certain property and equipment with estimated lives of two years or more. Property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation of furniture and fixtures and equipment is computed by the straight-line method over estimated useful lives ranging from three to ten years. Leasehold improvements are amortized by the straight-line method over the life of the improvement or the term of the lease, whichever is shorter. Expenditures for repairs and maintenance are expensed as incurred, and major renewals and betterments are capitalized.

Lease Liability and Right of Use Asset

The Association entered into a non-cancellable operating lease agreement for its office space to obtain a right of use (ROU) asset. The lease liability and ROU asset represent its lease obligations and rights to use the leased asset over the period of the lease and are recognized at the lease commencement date. The lease payments are discounted using a rate determined when the lease is recognized. Since the Association's lease does not provide a stated rate, the Association uses its incremental borrowing rate based on the information available at the lease commencement date. The related operating lease ROU asset may differ from the operating lease liability due to deferred or prepaid lease payments. The ROU asset is amortized over the lease term. The Association has elected to apply the short-term lease exception to all leases with a term of one year or less.

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Assets

Net assets, revenue, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. This classification includes net assets designated by the board or management for a specified purpose.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature (endowment), where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition

The real estate assessment levied by the City is recognized by the Association ratably throughout the year. The City remits these assessments to the Association in two installments (July and January) during the fiscal year and each payment covers the successive six-month periods. Assessment billing errors are recorded as a direct reduction of assessment revenue. Any significant discrepancies due to changes in total amounts assessed are recorded as receivables in the statements of financial position.

The Association recognizes contributions when cash and other financial assets, nonfinancial assets/services, or unconditional promises to give are received. Nonfinancial assets/services are valued based upon the type of asset/service that is received. Conditional promises to give, which have a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Amounts received prior to the meeting of these conditions, if any, are reported as refundable advances in the statements of financial position. At June 30, 2024 and 2023, contributions totaling \$27,000 and \$35,500, respectively, have not been recognized in the accompanying statements of activities because the conditions on which they depend have not been met. The recognition of these contributions is conditioned upon the Association completing certain program goals in the next fiscal year.

All contributions are considered available for the Association's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted for a purpose by the donor are reported as support with donor restrictions and increases in net assets with donor restrictions. Contributions received with donor restrictions that are met in the same reporting period are reported as support without donor restrictions and increases in net assets without donor restrictions. When a restriction expires (either a stipulated time period ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions.

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

The Association receives grants from governmental agencies. Depending upon the terms of the grant, it can be either an exchange transaction or a contribution. In accordance with grant provisions, the grant can be an expense reimbursement grant which requires that approved expenses be incurred prior to reimbursement by the grantor. Other grants permit advances of grant funds or full payment of grant funds at the start of the grant. If the grant is an exchange type grant, all unreimbursed expenses for approved purposes as of year-end are recorded as receivables, and any unexpended advances are recorded as deferred revenue. If the grant is a contribution, it is recognized in accordance with the contribution recognition policy described above.

Program service revenue relates to fees received in exchange for brochure marketing. Under the brochure marketing agreement, the Association allows a company to place brochures for tourists and visitors in the District, and in return, receives a portion of the revenue earned by the company. The Association's program service revenue contains a single delivery/service element and revenue is recognized at a single point in time when ownership, risk and rewards transfer, and all performance obligations are considered to be satisfied. Fees for the Association's program service revenue are based on the standalone prices and payments are due upon completion of the contract obligations. Any revenue received which has not been earned is recorded as deferred revenue.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The Association allocates salaries and related expenses based on estimated time and effort. The Association classifies expenses which are not directly related to a specific program as management and general expenses.

Note 2 - Cash and Cash Equivalents

Cash and cash equivalents consist of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Bank deposits and cash	\$ 1,945,065	\$ 2,100,699
Certificate of deposit (3 month)	-	375,000
	<u>\$ 1,945,065</u>	<u>\$ 2,475,699</u>

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Note 3 - Property and Equipment**

Property and equipment by major class consist of the following at June 30, 2024 and 2023:

	2024	2023
Equipment	\$ 173,294	\$ 103,944
Leasehold improvements	36,434	22,406
Furniture and fixtures	43,212	52,879
	252,940	179,229
Less: accumulated depreciation and amortization	( 134,620)	( 96,868)
	\$ 118,320	\$ 82,361

**Note 4 - Lease Commitments**

The Association leases office space under a noncancelable operating lease set to expire on January 31, 2030. As of June 30, 2024, the minimum aggregate annual lease commitments are as follows:

Year ended June 30, 2025	\$ 200,032
2026	210,757
2027	215,033
2028	219,395
2029	223,839
2030	132,104
Total lease payments	1,201,160
Less: imputed interest (5%)	( 154,078)
Total operating lease liability	\$ 1,047,082

The rent expense under this lease amounts to \$203,519 for each of the years ended June 30, 2024 and 2023, and is included in the statements of expenses as rent and utilities expense under the management and general function.

**Note 5 - Net Assets With Donor Restrictions**

As of June 30, 2024 and 2023, net assets with donor restrictions are available as follows:

	2024	2023
Streetscape and beautification	\$ 346,491	\$ 366,234

**Note 6 - Government Grants**

The Association was awarded grants by the City. Total revenue recognized under the grants amounted to \$17,000 for the year ended June 30, 2024.



**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.  
NOTES TO FINANCIAL STATEMENTS**

Note 10 - Concentrations

The Association maintains its cash, cash equivalents, and certificates of deposit in various accounts with major financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures bank deposits, including certificates of deposit, up to \$250,000 per financial institution. At times, the balances of the accounts have exceeded insured limits during the years ended June 30, 2024 and 2023.

Note 11 - Liquidity and Availability of Financial Assets

The Association regularly monitors liquidity required to meet its operating needs and other obligations as they come due. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Association considers all expenditures related to its ongoing activities to be general expenditures. Amounts available for general expenditures over a 12-month period include donor-restricted amounts that are available for ongoing programmatic and support expenditures.

The following reflects the Association's financial assets, as of June 30, 2024 and 2023, reduced by amounts not available for general use within one year because of contractual, donor-imposed, or internal restrictions and designations:

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 1,945,065	\$ 2,475,699
Certificates of deposit	917,308	375,000
Total financial assets	2,862,373	2,850,699
Less those unavailable for general expenditures within one year	-	-
Financial assets available to meet cash needs for general expenditures within one year	\$ 2,862,373	\$ 2,850,699

Note 12 - Subsequent Events

Subsequent events were evaluated for potential additional disclosures and corrections through December 5, 2024, which is the date the financial statements were available to be issued.





# Skody Scot & Company, CPAs, P.C.

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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To: The Board of Directors of  
Lincoln Square District Management Association, Inc.

We have audited the financial statements of Lincoln Square District Management Association, Inc. as of and for the years ended June 30, 2024 and 2023, and have issued our report thereon dated December 5, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenses and budget is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Skody Scot & Company, CPAs, PC*

New York, NY  
December 5, 2024

**LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.**  
**SCHEDULE OF EXPENSES AND BUDGET**  
**(Supplemental Financial Information)**  
**YEAR ENDED JUNE 30, 2024**

	<u><b>Total Expenses</b></u>	<u><b>Budget</b></u>
Personnel costs:		
Management salaries	\$ 702,661	\$ 703,940
Staff salaries	158,685	194,080
Payroll taxes and benefits	143,035	177,800
Outside contractors	1,597,913	1,579,500
Total personnel costs	<u>2,602,294</u>	<u>2,655,320</u>
Direct expenses:		
Depreciation and amortization	37,752	-
Insurance	18,352	17,000
Office expenses	34,654	50,910
Postage and messengers	2,470	-
Professional fees	37,328	60,000
Project expenses	203,416	224,500
Rent and utilities	276,935	197,000
Supplies and equipment	67,119	24,000
Telephone and communications	6,408	9,000
Total direct expenses	<u>684,434</u>	<u>582,410</u>
Total expenses	<u><u>\$ 3,286,728</u></u>	<u><u>\$ 3,237,730</u></u>

Note: Budget does not include in-kind contributions of \$53,000 for rent and \$25,000 for outside contractors.