

ALBERT WISNER PUBLIC  
LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2011

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK

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# Nugent & Haeussler, P.C.

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## INDEPENDENT ACCOUNTANTS REIVEW REPORT

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To the Board of Trustees  
Albert Wisner Public Library Foundation, Inc.  
Warwick, New York

We have reviewed the accompanying statement of assets, liabilities and net assets-cash basis of Albert Wisner Public Library Foundation, Inc. (a non-profit organization) as of December 31, 2011, and the related statements of support, revenue and expenses-cash basis and net assets-cash basis for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organizations management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement 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 the cash basis of accounting 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 the cash basis of accounting, as described in Note 1.

*Nugent & Haeussler, P.C.*

January 20, 2012

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS  
DECEMBER 31, 2011

ASSETS

CURRENT ASSETS

Cash	\$ 130,643
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OTHER ASSETS

Investments	<u>17,978</u>
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TOTAL ASSETS	<u>\$ 148,621</u>
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LIABILITIES AND NET ASSETS

NET ASSETS

Unrestricted	<u>148,621</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 148,621</u>
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See independent accountant's review report and notes to financial statements.

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
STATEMENT OF SUPPORT, REVENUE AND EXPENSES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

SUPPORT AND REVENUE

Fundraising	\$ 49,200
Investment Income	1,593
Unrealized Gain on Investments	<u>2,227</u>

TOTAL SUPPORT AND REVENUE \$ 53,020

EXPENSES

Fundraising	1,570
Operating	3,686
Program	<u>45,989</u>

TOTAL EXPENSES 51,245

EXCESS OF SUPPORT AND REVENUE OVER EXPENSES \$ 1,775

See independent accountant's review report and notes to financial statements.

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
STATEMENT OF NET ASSETS - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

NET ASSETS

Balance – Beginning of Year	\$ 146,846
Excess of Support and Revenue Over Expenses	<u>1,775</u>
Balance – End of Year	<u>\$ 148,621</u>

See independent accountant's review report and notes to financial statements.

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

This summary of significant accounting policies of Albert Wisner Public Library Foundation, Inc. (the "Foundation") is presented to assist in understanding the Foundation's financial statements. The financial statements and notes are representations of the Foundation's management, which is responsible for their integrity and objectivity. Except for use of the cash basis of accounting as discussed below, these accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of Activities

The purpose of the Foundation is to provide supplemental financial support to the Albert Wisner Public Library, a taxpayer funded school district public library, thereby enhancing opportunities for the library's continued growth and service to the community.

Basis of Accounting

The Foundation's policy is to prepare its financial statements on the cash basis of accounting. Under that basis, revenues are recognized when received rather than when earned, and expenditures are recognized when paid rather than when incurred.

Cash and Cash Equivalents

Cash and cash equivalents consist of monies held in checking, savings and broker/dealer money market accounts.

Income Taxes

The Foundation is exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code.

Estimates

The preparation of financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

NOTE 2. INVESTMENT OF CASH RESOURCES

The Foundation invests its cash resources with a view toward achieving preservation of capital while maintaining adequate liquidity for its operations. It seeks to realize a market rate of return consistent with these policies. Except for cash needed to cover current disbursements, funds are held in FDIC insured deposit accounts and a money market fund that invests solely in short term United States Treasury bills.

See independent accountant's review report.

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 3. INVESTMENT OF LONG TERM ASSETS

The Foundation invests its long-term assets with a view toward maintaining the purchasing power of these assets despite inflation and providing a cash return to support its operations. These assets consist of United States Treasury Inflation Protection Securities ("TIPS") and United States Treasury Notes in approximately equal amounts. TIPS provide explicit protection against inflation. The principal of TIPS increases with inflation and decreases with deflation, as measured by the Consumer Price Index. At maturity, TIPS pay the adjusted principal or original principal, whichever is greater. TIPS pay interest at a fixed rate twice a year, applied to the adjusted principal. Thus, interest payments rise with inflation and fall with deflation. Treasury 10-year notes have a stable principal amount, and thus will lose purchasing power if there is inflation over the life of the issue; they enjoy a higher interest rate to compensate for the lack of inflation protection. The foundation adjusts these assets to fair market value at the balance sheet date. Unrealized gains/(losses) are reported as revenue/(expense).

<u>Description of Issue</u>	<u>Purchase Price</u>	<u>Original Principal Amount</u>	<u>Market Value at Balance Sheet Date</u>
1.375% TIPS dtd 1/15/10 due 1/15/20	\$ 4,151	\$ 4,200	\$ 5,006
3.625% Note dtd 2/15/10 due 2/15/20	4,177	4,200	4,870
1.125% TIPS dtd 1/15/11 due 1/15/21	3,386	3,400	3,924
3.625% Note dtd 2/15/11 due 2/15/21	<u>3,588</u>	<u>3,600</u>	<u>4,178</u>
Total	<u>\$ 15,302</u>	<u>\$ 15,400</u>	<u>17,978</u>

NOTE 4. FUNDRAISING ACTIVITIES

During 2011, fundraising income was \$49,200, of which \$31,137 was raised by the Annual Appeals and \$11,319 by the Capital Campaign; the \$6,744 balance consists of miscellaneous contributed support. Since inception, the Capital Campaign has raised \$322,019.

See independent accountant's review report.



ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
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NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 5. FOUNDATION EXPENSES

Fundraising expense of \$1,569 consisted principally of the cost of a donor plaque for the 2009/10 Annual Appeal and costs incurred to promote the 2010/11 Annual Appeal. Insurance expense of \$1,668 covered the cost of general liability coverage, directors' and officers' liability coverage and a dishonesty bond. Office expense of \$418 consisted of the cost of a filing fee and stationery. Professional fees of \$1,600 were incurred for preparation by the Foundation's certified public accountants of "review level" 2010 financial statements and required annual reports to the Internal Revenue Service and New York State Attorney General's Office. Program expense consisted of \$2,000 for the foundation's scholarship program; \$10,651 for foundation programs, including the Children's Book Festival; \$10,838 for new building items; and \$22,500 for library operating support.

NOTE 6. UNCERTAIN TAX POSITIONS.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain positions that are material to the financial statements.

NOTE 7. SUBSEQUENT EVENTS.

Management has evaluated subsequent events through January 20, 2012, the date the financial statements were available to be issued. As of this date, there were no subsequent events to report.

See independent accountant's review report.