

STAMFORD PARTNERSHIP, INC.

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

For the Year Ended June 30, 2022

Stamford Partnership, Inc.

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Independent Auditor's Report

To the Board of Directors of
Stamford Partnership, Inc.

Opinion

We have audited the financial statements of Stamford Partnership, Inc., which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Stamford Partnership, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Stamford Partnership, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter - Prior Auditor Opinion and Summarized Comparative Information

The financial statements of Stamford Partnership, Inc. as of and for the year ended June 30, 2021, were audited by another auditor who expressed an unmodified opinion on those statements in their report dated April 29, 2022. The prior year summarized comparative information has been derived from the Partnership's June 30, 2021 financial statements.

Independent Auditor's Report - (Continued)

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 Stamford Partnership, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are 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 would influence the judgment made by a reasonable user based on the 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 Stamford Partnership, 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.

Independent Auditor's Report - (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements - (Continued)

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Stamford Partnership, 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.

Frank E. Malara, CPA

Frank E. Malara, CPA, P.C.
Armonk, New York
July 10, 2023

Stamford Partnership, Inc.
Statement of Financial Position
June 30, 2022
(With Summarized Comparative Totals at June 30, 2021)

	2022	2021
Assets		
Current Assets:		
Cash and cash equivalents	\$ 178,777	\$ 842,184
Grants receivable	112,914	59,110
Promises to give	-	10,000
Agency assets	12,045	111,045
Total Assets	\$ 303,736	\$ 1,022,339
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 45,079	\$ 421,800
Deferred revenue	-	5,000
Grant refund	-	1,848
Refundable advances on grants	-	364,374
Agency liabilities	12,045	111,045
Total Liabilities	57,124	904,067
Net Assets:		
Without donor restrictions	246,612	118,272
With donor restrictions	-	-
Total net assets	246,612	118,272
Total Liabilities and Net Assets	\$ 303,736	\$ 1,022,339

The notes to the financial statements are an integral part of these statements.

Stamford Partnership, Inc.
Statement of Activities
For the Year Ended June 30, 2022
(With Summarized Comparative Totals For the Year Ended June 30, 2021)

	<u>Without Donor Restrictions 2022</u>	<u>Without Donor Restrictions 2021</u>
Support, Revenue and Other Income:		
Support:		
Contributions	\$ 32,962	\$ 65,300
Grants, program and event fees	971,713	1,098,244
Sponsorships	3,846	38,744
In-kind contributions	<u>11,619</u>	<u>11,619</u>
 Total support	 <u>1,020,140</u>	 <u>1,213,907</u>
 Revenue and Other Income:		
Forgiveness of PPP loan	-	41,664
Administration fees	239	2,200
Interest income	<u>239</u>	<u>877</u>
 Total revenue and other income	 <u>478</u>	 <u>44,741</u>
 Total support, revenue and other income	 <u>1,020,618</u>	 <u>1,258,648</u>
 Expenses:		
Programs	759,688	1,230,297
Management and general	117,731	51,558
Fundraising	<u>14,859</u>	<u>8,300</u>
 Total expenses	 <u>892,278</u>	 <u>1,290,155</u>
 Change in net assets	 128,340	 (31,507)
 Net assets - beginning of year	 <u>118,272</u>	 <u>149,779</u>
 Net assets - end of year	 <u>\$ 246,612</u>	 <u>\$ 118,272</u>

The notes to the financial statements are an integral part of these statements.

Stamford Partnership, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2022
(With Summarized Comparative Totals for 2021)

	Programs	Management and General	Fundraising	Totals	
				2022	2021
Salaries	\$ 170,074	\$ 20,009	\$ 10,004	\$ 200,087	\$ 135,519
Payroll taxes	13,987	1,646	823	16,456	11,266
Professional fees	49,944	49,944	-	99,888	82,105
Consulting fees	152,959	35,313	-	188,272	198,391
Event expenses	74,396	400	200	74,996	41,534
Fellowship grants	109,513	-	-	109,513	90,000
Program expenses	13,946	-	-	13,946	11,887
Sub-recipient expenses	-	-	-	-	504,240
Occupancy, including in-kind of \$11,619 2022 and 2021	18,767	1,162	581	20,510	20,033
Supplies	1,219	215	-	1,434	1,942
Insurance	2,581	455	-	3,036	2,808
Marketing	71,591	2,875	-	74,466	72,776
Communication and technology	80,668	2,604	1,302	84,574	117,288
Miscellaneous	43	3,108	1,949	5,100	366
Total expenses	\$ 759,688	\$ 117,731	\$ 14,859	\$ 892,278	\$1,290,155

The notes to the financial statements are an integral part of these statements.

Stamford Partnership, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2022
(With Summarized Comparative Totals For the Year Ended June 30, 2021)

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ 128,340	\$ (31,507)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Loan payable - PPP forgiveness	-	(20,832)
Changes in operating assets and liabilities		
Accounts receivable	-	250
Grant receivable	(53,804)	(59,110)
Promises to give	10,000	(7,500)
Prepaid expenses	-	1,880
Agency assets	99,000	10,317
Accounts payable and accrued expenses	(376,721)	357,907
Deferred revenue	(5,000)	2,500
Grant refund	(1,848)	1,848
Refundable advances on grants	(364,374)	249,836
Agency liabilities	(99,000)	(10,317)
	(663,407)	495,272
Net cash provided (used) by operating activities	(663,407)	495,272
Net change in cash and cash equivalents	(663,407)	495,272
Cash and cash equivalents - beginning of year	842,184	346,912
Cash and cash equivalents - end of year	\$ 178,777	\$ 842,184

The notes to the financial statements are an integral part of these statements.

Stamford Partnership, Inc.
Notes to Financial Statements
June 30, 2022
(With Summarized Comparative Totals for 2021)

Note 1 - Organization and Tax Exempt Status

Stamford Partnership, Inc. (the “Partnership”), (formerly Stamford Economic Assistance Corporation), which was incorporated in 1978, improves the quality of life for Stamford, Connecticut area residents, businesses and stakeholders. The Partnership brings people, companies, governments and not-for-profits together to reimagine their shared future. Focused on economic and social impact, the Partnership is guided by three service pillars: public-private partnership, ecosystem development and talent development.

The Partnership’s programs include StamfordNext, which funds projects, initiatives and events that make it easier or more successful to start or grow a business in Stamford; Swifi, which is a Wi-Fi network located in and around downtown Stamford provided to the general public free of charge for social media, email and web browsing; Mobility, in which the Partnership is working to develop Stamford’s autonomous vehicle strategy. Mobility technology is poised to change not only the way people move, but the very way they work and live. Balancing opportunity with safety and sustainability is a key consideration in the Partnership’s planning. Stamford Innovation Week is New England’s largest innovation festival. Economic and Community Development are economic and social impact programs for the Stamford area residents, businesses and stakeholders.

The Partnership has been granted tax-exempt status under Internal Revenue Code Section 501(c)(3) and has been designated as an organization which is not a private foundation. Accordingly, no provision for federal and state income taxes has been recorded in the accompanying financial statements. The Partnership’s Form 990, *Return of Organization Exempt from Income Tax* for the years ended June 30, 2021, 2020 and 2019 are subject to examination by the IRS, generally for three years after they were filed. The Partnership believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Partnership did not recognize any tax related interest and/or penalties in the accompanying financial statements but would record any such interest and/or penalties as a component of other expense.

Note 2 - Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Stamford Partnership, Inc.
Notes to Financial Statements
June 30, 2022
(With Summarized Comparative Totals for 2021)

Note 2 - Summary of Significant Accounting Policies - (continued)

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) which are presented on the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

Net assets are classified based on the presence or absence of donor-imposed restrictions. Resources for various purposes are classified for accounting and reporting purposes into net asset categories established according to nature and purpose as follows:

Net assets without donor restrictions - net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Partnership. These net assets may be used at the discretion of the Partnership’s management and Board of Directors.

Net assets with donor restrictions - net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Partnership or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. For each of the years ended June 30, 2022 and 2021, there were no assets with donor restrictions

Revenue Recognition

The Partnership recognizes contributions when cash, securities, an unconditional promise to give, other assets or a notification of a beneficial interest are received. Conditional promises to give, that is, those with measurable performance or other barriers and right of return, are not recognized until the conditions on which they depend have been met.

The Partnership recognizes revenue from cost-reimbursable state and city grants, which are conditioned upon certain performance requirements and/or the incurrence of certain allowable qualifying expenses, when the Partnership has incurred expenditures in compliance with specific grant provisions.

The Partnership recognizes sponsorship revenue at a point in time as the related program services are performed and the events take place.

Stamford Partnership, Inc.
Notes to Financial Statements
June 30, 2022
(With Summarized Comparative Totals for 2021)

Note 2 - Summary of Significant Accounting Policies - (continued)

Revenue Recognition - (continued)

The Partnership recognizes program and event fees at a point in time as the related program services are performed and the events take place.

The Partnership recognizes administration fee revenue based on a percentage of funds received on certain agency assets at a point in time.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restriction if the restriction expires or the restricted purpose is satisfied in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending upon the nature of the restriction. When a restriction expires or the restricted purpose is satisfied, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restriction.

Promises to give that are expected to be received within one year of the financial statement date are reflected at their net realizable value (the gross amount of the promises to give, net of an allowance for uncollectible amounts). Promises to give that are expected to be collected more than one year after the financial statement date are reflected at the present value of their estimated future cash flows using a discount rate commensurate with the risks involved at the date the promise to give is received. At June 30, 2022, there were no promises to give and at June 30, 2021, all promises to give were due within one year of the financial statement date

Contributed Goods and Services

Goods and services have been provided by various organizations and a number of unpaid volunteers have contributed their time. Contributions are recognized if the goods or services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by the donation. Contributed goods or services that do not meet the above criteria are not recognized. In-kind contributions recognized for rent were \$11,619 for each of the years ended June 30, 2022 and 2021.

Stamford Partnership, Inc.
Notes to Financial Statements
June 30, 2022
(With Summarized Comparative Totals for 2021)

Note 2 - Summary of Significant Accounting Policies - (continued)

Receivables and Refundable Advances on Grants

Grants, fees, promises to give and other receivables are periodically evaluated for collectability based upon management's evaluation of past loss experience, known and inherent risks in its accounts plus other factors which could affect collectability. In the opinion of management, no allowance for doubtful accounts at June 30, 2022 and 2021 was deemed necessary.

At June 30, grant programs have funding periods that extend beyond June 30. Refundable advances on government grants at June 30 are reflected in the accompanying statement of financial position for programs where payments received were in excess of expenditures incurred.

Agency Assets/Liabilities

When the Partnership acts as an agent, trustee or intermediary for a donor, it reflects contributions and other receipts of cash as an increase in agency assets with a corresponding increase in agency liabilities. Distributions to third-party recipients are reflected as a decrease in agency assets with a corresponding decrease in agency liabilities.

Cash and Cash Equivalents

Cash and cash equivalents include money market funds.

Functional Allocation of Expenses

The costs of providing the various program and supporting services have been summarized on a functional basis in the accompanying statement of functional expenses. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the program and supporting services benefited. Such allocations are determined by the Partnership on an equitable basis. Salaries and payroll taxes are allocated based on a specific function. Certain shared costs are allocated between program and support services based on payroll allocations. Shared costs include professional fees, occupancy, supplies, insurance and communication and technology.

Stamford Partnership, Inc.
Notes to Financial Statements
June 30, 2022
(With Summarized Comparative Totals for 2021)

Note 3 - Concentration of Risk

Cash and Cash Equivalents

The Partnership maintains its cash and cash equivalents in one financial institution. Certain balances are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000 per institution. At June 30, 2022, there were no uninsured balances.

Funding and Receivables

The Partnership receives funding in the form of grants from CTNext LLC, which is a Connecticut limited liability company deemed a quasi-public agency of the state of Connecticut and the city of Stamford and receives fees and contributions from corporations located primarily in the greater Stamford area. At June 30, 2022, grants receivable from CTNext LLC was \$88,625.

Note 4 - Liquidity and Availability of Resources

The Partnership regularly monitors liquidity required to meet its annual operating needs and other contractual commitments. The following reflects the Partnership’s financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 178,777	\$ 842,184
Grants receivable	112,914	59,110
Promises to give	-	10,000
Total financial assets	<u>291,691</u>	<u>911,294</u>
Less amounts not available to be used within one year	<u>-</u>	<u>-</u>
Financial assets available to meet general expenditures over the next year	<u>\$ 291,691</u>	<u>\$ 911,294</u>

Note 5 - Contingency

The Partnership is the recipient of grants from government agencies. Under the terms and conditions of these grants, expenditures and compliance with the provisions of such grants are subject to audit by the governmental agencies. The management of the Partnership does not anticipate that there would be any material changes as a result of the grant audits.

Stamford Partnership, Inc.
Notes to Financial Statements
June 30, 2022
(With Summarized Comparative Totals for 2021)

Note 6 - Related Party Transactions

During the years ended June 30, 2022 and 2021, the Partnership was provided the use of approximately 760 square feet of shared furnished office space located in downtown Stamford on a month-to-month basis at no charge from a company who has a member on the Board of Directors of the Partnership. During each of the years ended June 30, 2022 and 2021, in-kind contributions and rent expense of \$11,619 have been recorded by the Partnership. The Partnership has received approximately \$0 and \$1,000 of sponsorship income from this company during the years ended June 30, 2022 and 2021, respectively.

During the years ended June 30, 2022 and 2021, the Partnership received approximately \$300,000 and \$71,600, respectively, of funding from the City of Stamford, either through grants or administration fees, which has members on the Board of Directors of the Partnership.

Note 7 - Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

Note 8 - Summarized Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by functional expense class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Partnership's financial statements as of June 30, 2021 and for the year then ended, from which the summarized information was derived.

Note 9 - Subsequent Events

Management has evaluated subsequent events through July 10, 2023, the date which the financial statements were available to be issued. Management has determined that there are no subsequent events that require disclosure in these financial statements.