
RESTORE NYC, INC.

Financial Statements

For the year ended September 30, 2024

RESTORE NYC, INC.
Financial Statements
September 30, 2024

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Independent Auditor's Report

To the Board of Directors of
Restore NYC, Inc.

Opinion

We have audited the accompanying financial statements of Restore NYC, Inc. (the "Organization"), which comprise the statement of financial position as of September 30, 2024, 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 financial statements present fairly, in all material respects, the financial position of the Organization as of September 30, 2024, 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 the Organization, 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.

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 the Organization's ability to continue as a going concern within 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 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 the Organization'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 the Organization'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.

Report on Summarized Comparative Information

The financial statements of the Organization as of and for the year ended September 30, 2023, were audited by other auditors whose report dated February 27, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

NCHS LLP

New York, New York
March 28, 2025

RESTORE NYC, INC.
Statement of Financial Position
As of September 30, 2024
(With comparative totals as of September 30, 2023)

	2024	2023
<u>Assets</u>		
Cash and cash equivalents	\$ 445,961	\$ 734,731
Investments	1,360,094	1,872,994
Contributions receivable	570,559	383,035
Employee retention tax credit receivable	188,183	188,234
Government grants receivable, net	502,431	432,147
Prepaid expenses	25,546	30,854
Operating lease assets	1,066,236	-
Security deposit	82,236	24,165
Total assets	<u>\$ 4,241,246</u>	<u>\$ 3,666,160</u>
<u>Liabilities and Net Assets</u>		
<u>Liabilities</u>		
Accounts payable and accrued expenses	\$ 70,981	\$ 136,474
Deferred revenue	27,426	52,083
Operating lease liabilities	1,113,112	-
Total liabilities	<u>1,211,519</u>	<u>188,557</u>
<u>Net assets</u>		
Without donor restrictions	2,667,863	3,251,353
With donor restrictions	361,864	226,250
Total net assets	<u>3,029,727</u>	<u>3,477,603</u>
Total liabilities and net assets	<u>\$ 4,241,246</u>	<u>\$ 3,666,160</u>

The accompanying notes are an integral part of these financial statements.

RESTORE NYC, INC.**Statement of Activities**

For the year ended September 30, 2024

(With comparative totals for the year ended September 30, 2023)

	Without donor restrictions	With donor restrictions	Total 9/30/2024	Total 9/30/2023
<u>Revenue and support</u>				
Contributions	\$ 1,912,121	\$ 781,092	\$ 2,693,213	\$ 2,961,598
Government grants	1,804,890	-	1,804,890	1,594,187
Special events (net of expenses with a direct benefit to donor)	398,899	-	398,899	387,625
Interest income	83,774	-	83,774	21,437
Employee Retention Tax Credit	-	-	-	188,234
Other income	10,250	-	10,250	18,930
Net assets released from restrictions	645,478	(645,478)	-	-
Total revenue and support	<u>4,855,412</u>	<u>135,614</u>	<u>4,991,026</u>	<u>5,172,011</u>
<u>Expenses</u>				
Program services	<u>3,413,129</u>	<u>-</u>	<u>3,413,129</u>	<u>3,215,689</u>
Supporting Services				
Management and general	1,292,409	-	1,292,409	1,170,391
Fundraising	817,121	-	817,121	763,873
Total supporting services	<u>2,109,530</u>	<u>-</u>	<u>2,109,530</u>	<u>1,934,264</u>
Total expenses	<u>5,522,659</u>	<u>-</u>	<u>5,522,659</u>	<u>5,149,953</u>
Change in net assets from operating activities	<u>(667,247)</u>	<u>135,614</u>	<u>(531,633)</u>	<u>22,058</u>
<u>Non-Operating Activities</u>				
Investment return	83,757	-	83,757	38,619
Total non-operating activities	<u>83,757</u>	<u>-</u>	<u>83,757</u>	<u>38,619</u>
Change in net assets	(583,490)	135,614	(447,876)	60,677
Net assets, beginning of year	<u>3,251,353</u>	<u>226,250</u>	<u>3,477,603</u>	<u>3,416,926</u>
Net assets, end of year	<u>\$ 2,667,863</u>	<u>\$ 361,864</u>	<u>\$ 3,029,727</u>	<u>\$ 3,477,603</u>

The accompanying notes are an integral part of these financial statements.

RESTORE NYC, INC.**Statement of Functional Expenses**

For the year ended September 30, 2024

(With comparative totals for the year ended September 30, 2023)

		Supporting services				
	Program	Management		Total	Total	Total
	services	and General	Fundraising	Supporting	Expenses	Expenses
				Services	9/30/24	9/30/23
Salaries	\$ 1,868,752	\$ 814,072	\$ 415,143	\$ 1,229,215	\$ 3,097,967	\$ 2,950,118
Payroll taxes and benefits	458,023	199,575	101,750	301,325	759,348	665,837
Professional fees	32,007	132,483	178,397	310,880	342,887	321,560
Direct assistance to clients	737,992	-	-	-	737,992	584,738
Occupancy	274,380	24,445	-	24,445	298,825	285,333
Office expenses	107	34,458	61	34,519	34,626	29,421
Repairs and maintenance	7,146	1,137	-	1,137	8,283	16,860
Telecommunications and software	17,087	48,925	-	48,925	66,012	91,457
Postage and shipping	-	348	443	791	791	1,739
Travel	1,130	4,867	2,142	7,009	8,139	11,138
Conferences and meetings	4,056	14,429	105	14,534	18,590	32,578
Insurance	12,449	5,423	2,766	8,189	20,638	15,484
Marketing	-	-	4,775	4,775	4,775	10,830
Events expense	-	-	169,180	169,180	169,180	178,853
Donation processing	-	-	47,362	47,362	47,362	51,922
Miscellaneous	-	10,579	9,357	19,936	19,936	8,748
Bad debt expense	-	1,668	-	1,668	1,668	-
Total expenses	3,413,129	1,292,409	931,481	2,223,890	5,637,019	5,256,616
Less: direct special event expenses netted with revenue	-	-	(114,360)	(114,360)	(114,360)	(106,663)
Total expenses for statement of activities	<u>\$ 3,413,129</u>	<u>\$ 1,292,409</u>	<u>\$ 817,121</u>	<u>\$ 2,109,530</u>	<u>\$ 5,522,659</u>	<u>\$ 5,149,953</u>

The accompanying notes are an integral part of these financial statements.

RESTORE NYC, INC.**Statement of Cash Flows**

For the year ended September 30, 2024

(With comparative totals for the year ended September 30, 2023)

	2024	2023
Cash flows from operating activities		
Change in net assets	\$ (447,876)	\$ 60,677
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Unrealized and realized gains on investments	(83,757)	(38,619)
Donated stock	(11,642)	(32,902)
Change in operating lease right-of use asset and liability	46,876	
Change in assets and liabilities:		
Contributions receivable	(187,524)	(315,602)
Employee retention tax credit receivable	51	(188,234)
Government grants receivable, net	(70,284)	(97,592)
Prepaid expenses	5,308	37,660
Security deposit	(58,071)	-
Accounts payable and accrued expenses	(65,493)	85,856
Deferred revenue	(24,657)	(65,347)
Cash flows used in operating activities	<u>(897,069)</u>	<u>(554,103)</u>
Cash flows from investing activities		
Investment purchases (including reinvestment of investment income)	(1,335,524)	(2,777,376)
Investment proceeds/maturities	<u>1,943,823</u>	<u>1,256,775</u>
Cash flows provided by (used in) investing activities	<u>608,299</u>	<u>(1,520,601)</u>
Net change in cash and cash equivalents	(288,770)	(2,074,704)
Cash and cash equivalents, beginning of year	<u>734,731</u>	<u>2,809,435</u>
Cash and cash equivalents, end of year	<u>\$ 445,961</u>	<u>\$ 734,731</u>
Supplemental disclosure of cash flow information		
Total interest and taxes paid	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 1 Organization

Restore NYC, Inc. (the “Organization”) was incorporated in New York in January 2005. The Organization’s mission is to make freedom real for survivors of trafficking in the United States. The Organization provides safe housing, economic-empowerment solutions, and specialized services to restore the physical and emotional well-being of survivors.

Revenues are derived primarily from support from the general public.

The Organization is a not-for-profit organization and has been notified by the Internal Revenue Services that it is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. They have not been determined to be a private foundation as defined in Section 509(a).

Note 2 Summary of significant accounting policies

Basis of accounting. The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred, rather than when received or paid.

Basis of presentation. The Organization reports information regarding its financial position and activities according to the following classes of net assets:

Net Assets Without Donor Restrictions – represents all activity without donor-imposed restrictions.

Net Assets With Donor Restrictions – represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

Measure of operations. The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization’s ongoing services. Non-operating activities consist of investment earnings.

Revenue recognition. The Organization follows the requirements of Financial Accounting Standards Board’s (“FASB”) Accounting Standards Codification (“ASC”) 958-605 for recording contributions, which are recorded at the time a contribution becomes unconditional in nature. Contributions are recorded in one of the classes of net assets described above, depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they are received, they are classified as without donor restrictions.

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 2 Summary of significant accounting policies – (continued)

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments, or release from obligations, and are recognized as income once the conditions have been substantially met.

Government grants have been evaluated and are considered to be conditional non-reciprocal transactions that fall under the scope of FASB ASC 958-605. Revenue from these transactions is recognized when qualifying expenditures are incurred, performance related outcomes are achieved, and other conditions under the agreements are met. Cash received in advance of the conditions being met is treated as a liability.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. The Organization recognizes the exchange element as the fair value of the direct benefit to donors when the event takes place. Contributions to special events fall under FASB ASC 958-605 and are considered to be conditional upon the event taking place unless the donor explicitly waives the condition.

Contributions expected to be received within one year are recorded at net realizable value. Long- term pledges are recorded at fair value, using risk-adjusted present value techniques. All receivables at September 30, 2024 and September 30, 2023 are expected to be received within one year and are recorded at net realizable value.

The Organization performs a review of outstanding receivables and considers factors such as how long the receivable has been outstanding and the creditworthiness of the donor. Based on this review, at September 30, 2023, the Organization set an allowance for doubtful accounts of approximately \$6,672 for government grants receivable. There was no allowance for doubtful accounts established as of September 30, 2024.

Cash and cash equivalents. The Organization considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents, which includes cash held in banks and money market funds other than those held by the investment manager.

Concentration of credit risk. Financial instruments, which potentially subject the Organization to a concentration of credit risk have been placed with financial institutions that management feels are creditworthy. Although at times and at year-end, cash and cash equivalent balances exceeded federally insured limits under the Federal Deposit Insurance Corporation (FDIC), The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant financial risk therein.

The Organization has investments which are held by the financial institutions in brokerage accounts. These brokerage accounts are protected by the Securities Investor Protection Corporation (SIPC) insurance which offers limited coverage up to a ceiling of \$500,000 (including a maximum of \$250,000 for claims of uninvested cash). The SIPC insurance does not protect against market losses on investments.

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 2 Summary of significant accounting policies – (continued)

The market value of investments is subject to fluctuation and principal is not guaranteed. Management believes that the investment policy is prudent for the long-term welfare of the Organization.

Fair value measurements/investments. Accounting standards have established a fair value hierarchy, giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets - or liabilities that the Organization has the ability to access.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all - significant inputs are not observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Investments are stated at fair value, which is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Net realized and unrealized gains and losses are reported on the statement of activities.

Investments are recorded at fair value, which is defined as the price that would be received when selling an asset in an orderly transaction between market participants at the measurement date. Net investment return includes net realized and unrealized gains and losses, net of investment fees, which are included on the statement of activities.

Donated securities are recorded at fair value on the date of the gift and, except as otherwise required by the donor. Donated securities are classified as operating activities in the statement of cash flows unless the donor restricts the use of the contributed resources to long-term purposes, in which case those cash receipts are classified as cash flows from financing activities.

Leases. Under FASB ASC 842, adopted as of October 1, 2022, the Organization determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. The change in operating lease right-of-use asset and liability on the statement of cash flows includes the amortization of the ROU asset and cash payments for leases offset by the accretion of the discounted lease liability. Operating lease expense is recognized on a straight-line basis over the lease term.

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 2 Summary of significant accounting policies – (continued)

The Organization does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option.

Donated services and goods. Donated services and goods are recognized in circumstances where those services or goods create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind. Board members and other individuals volunteer their time and perform a variety of services that assist the Organization. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

Management estimates. The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Functional allocation of expenses. The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Expenses are recorded directly to either program, management and general, or fundraising whenever possible. However, certain categories of expenditures are attributable to more than one function and therefore, require allocation on a reasonable basis that is consistently applied. Such allocations are determined by management on an equitable basis. Salaries and professional fees are allocated based on time and effort. Payroll taxes and benefits and insurance are allocated based on salary allocation. Occupancy is allocated based on headcount at the office space. All other expenses have been charged directly to the applicable program or supporting services.

Advertising. The cost of advertising is expensed as incurred.

Comparative financial information. The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2023, from which the summarized information was derived.

Accounting for uncertain income taxes. The Organization does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending September 30, 2021, and later are subject to examination by applicable taxing authorities.

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 3 Investments

The following summarizes the composition of investments at September 30, 2024:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Cash and cash equivalents	\$ 693,310	\$ 693,310	\$ -
Certificates of deposit	399,989	-	399,989
Common stock	<u>266,795</u>	<u>266,795</u>	<u>-</u>
Total investments	<u>\$ 1,360,094</u>	<u>\$ 960,105</u>	<u>\$ 399,989</u>

The following summarizes the composition of investments at September 30, 2023:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Cash and cash equivalents	\$ 65,208	\$ 65,208	\$ -
Certificates of deposit	1,598,784	-	1,598,784
Equities:			
Common stock	186,920	186,920	-
Exchange traded funds	<u>22,082</u>	<u>22,082</u>	<u>-</u>
Total equities	<u>209,002</u>	<u>209,002</u>	<u>-</u>
Total investments	<u>\$ 1,872,994</u>	<u>\$ 274,210</u>	<u>\$ 1,598,784</u>

Level 1 securities are valued at the closing price reported on the active market that they are traded on. Level 2 securities are valued using observable market inputs for securities that are similar to those owned. Those methods produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

Investment return consists of:

	<u>2024</u>	<u>2023</u>
Realized gain	\$ 8,380	\$ 30,956
Unrealized gain	<u>75,377</u>	<u>7,663</u>
Total Investment return	<u>\$ 83,757</u>	<u>\$ 38,619</u>

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 4 Employee retention tax credit

During the year ended September 30, 2023, the Organization claimed the Employee Retention Tax Credit (“ERTC”) in the amount of \$188,234. The ERTC was established by the Coronavirus Relief Act issued by Congress during 2020 and allows an employer to obtain fully refundable tax credits through their payroll tax filings for qualified wages paid after March 13, 2020 through September 30, 2021. To be eligible, an employer must incur payroll costs to retain employees and be adversely affected by the COVID-19 pandemic due to having operations suspended by a government order or demonstrating that they had a significant decline in gross receipts.

The Organization accounted for the ERTC as a conditional contribution in accordance with FASB ASC 958-605. The conditions for eligibility outlined above were met for the quarters claimed during the year ended September 30, 2023, and the full amount was recognized as revenue in 2023. The Organization had a receivable balance of \$188,183 at September 30, 2024 and 2023.

Note 5 Operating lease right-of-use asset and operating lease liability

The Organization evaluated current contracts to determine which met the criteria of a lease. The Organization holds leases for office space and transitional housing. The Organization occupied office space in New York City under a non-cancellable lease agreement that expired in April 2023. Thereafter, the Organization continued leasing the space on a month-to-month basis for \$6,673 per month until vacating the premises in March 2024. Additionally, the Organization leased additional office space in the same building on a month-to-month basis for \$5,000 per month, also vacating it in March 2024.

Subsequently the Organization entered into a non-cancellable lease for office space in a new building under an operating lease agreement that commenced April 1, 2024 and expires on September 30, 2031 and has been determined to be an operating lease. The lease term excludes a three-year extension option, available at the Organization’s option, which it is not reasonably certain to exercise. Therefore, the payments associated with the extension are not included in the ROU asset nor the lease liability recognized as of September 30, 2024. The Organization has made an accounting policy election to account for lease and non-lease components in its contracts as a single lease component. The non-lease components typically represent additional services transferred to the Organization, such as security, water and sewer, and electricity.

In April 2022, the Organization entered into a house lease agreement for transitional housing in New York City under a non-cancellable lease that commenced May 1, 2022 and expired April 30, 2024, with a 5% escalation in the second year of the lease. As of September 30, 2023, the Organization did not report a ROU asset and lease liability due to its immaterial nature. The Organization renewed the house under an operating lease agreement which commenced May 1, 2024 and expires April 30, 2026. The lease does not include any extension options.

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 5 Operating lease right-of-use asset and operating lease liability – (continued)

The ROU assets represent the Organization's right to use the underlying asset for the lease term, and the lease liabilities represent Organization's obligation to make lease payments arising from this lease. The ROU assets and lease liabilities were calculated based on the present value of future lease payments over the lease terms. As of September 30, 2024, the weighted-average remaining lease term for the Organization's operating lease was 6.03 years. The Organization has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liabilities as of September 30, 2024 was 4.43%. For the year ended September 30, 2024, total operating lease cost was \$267,712 and cash paid for operating leases was \$80,234. For the years ended September 30, 2024 and September 30, 2023, total short term lease cost was \$139,863 and \$254,076, respectively. Except for the initial recognition of right-of-use assets and lease liabilities, there were no noncash investing or financing transactions related to leasing.

Future maturities of lease liabilities are presented in the following table:

Year ending:

June 30, 2025	\$ 268,112
June 30, 2026	198,785
June 30, 2027	147,114
June 30, 2028	151,085
June 30, 2029	161,998
Thereafter	351,111
Total lease payments	1,278,205
Less: present value discount	(165,093)
Total lease obligation	<u>\$ 1,113,112</u>

Note 6 Net assets with donor restrictions

The following summarizes net assets with donor restrictions:

	September 30, 2024			Ending balance 9/30/24
	Beginning balance 10/1/23	Additions	Releases	
Program restrictions -				
Housing First for Survivors				
of Trafficking in New York	\$ -	\$ 343,659	\$ (202,373)	\$ 141,286
Economic Empowerment	-	271,084	(117,125)	153,959
Client Services	-	10,000	(6,136)	3,864
Impact services	-	118,849	(93,594)	25,255
Total program restrictions	-	743,592	(419,228)	324,364
Time	226,250	37,500	(226,250)	37,500
Total	<u>\$ 226,250</u>	<u>\$ 781,092</u>	<u>\$ (645,478)</u>	<u>\$ 361,864</u>

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 6 Net assets with donor restrictions – (continued)

	September 30, 2023			
	Beginning balance 10/1/22	Additions	Releases	Ending balance 9/30/23
Program restrictions - Housing First for Survivors of Trafficking in New York	\$ 23,182	\$ -	\$ (23,182)	\$ -
Total program restrictions	23,182	-	(23,182)	-
Time	50,000	226,250	(50,000)	226,250
Total	<u>\$ 73,182</u>	<u>\$ 226,250</u>	<u>\$ (73,182)</u>	<u>\$ 226,250</u>

Note 7 Special events

A summary of special events activity from the annual benefit and other events is as follows:

	2024	2023
Gross revenue	\$ 513,259	\$ 494,288
Less: expenses with a direct benefit to donors	(114,360)	(106,663)
	398,899	387,625
Less: other event expenses	(33,542)	(47,216)
Net event income	<u>\$ 365,357</u>	<u>\$ 340,409</u>

Note 8 Retirement plan

The Organization has a tax deferred annuity plan under IRS section 401(k) for employees who are at least 21 years of age. Under the plan, employees may opt to defer a portion of their gross pay, having that portion of pay be invested in accordance with applicable federal and state guidelines governing deferred compensation programs. The Organization provides a 3% employer match on employee contributions. The Organization contributed \$98,268 and \$86,497 to the plan during the years ended September 30, 2024 and 2023, respectively.

Note 9 Availability and liquidity

The Organization maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management plan, the Organization operates its programs within a board approved budget and relies on contributions and government grants to fund its operations and program activities.

RESTORE NYC, INC.
Notes to the Financial Statements
September 30, 2024

Note 9 Availability and liquidity – (continued)

The following reflects the Organization's financial assets at September 30, 2024:

Financial assets, at year end	
Cash and cash equivalents	\$ 445,961
Investments	1,360,094
Contributions receivable	570,559
Employee retention tax credit receivable	188,183
Government grants receivable, net	502,431
Total financial assets	<u>\$ 3,067,228</u>
Less amounts not available for general expenditures:	
Restricted for specific purposes	<u>(324,364)</u>
Financial assets available for general expenditures within one year	<u><u>\$ 2,742,864</u></u>

Note 10 Uncertainty related to future funding

The Organization's operations are partially funded through government grants and contracts. Recent regulatory changes have introduced uncertainties regarding the availability and continuity of such funding. While management is actively monitoring the impact of these changes and exploring alternative funding sources, there is no assurance that current levels of government support will be maintained.

The potential reduction or modification of government funding could impact the Organization's ability to continue certain programs and services at their current levels. Management is assessing various strategies to mitigate this risk, including diversifying funding sources and adjusting operational plans as needed.

At the date of these financial statements, the ultimate impact of the regulatory changes on the Organization's financial position and operations cannot be reasonably estimated.

Note 11 Subsequent events

Subsequent events have been evaluated through March 28, 2025, the date the financial statements were available to be issued. There were no material events that have occurred that require adjustment to or disclosure to the financial statements.