

**NONPROFIT NEW YORK, INC.**

**Financial Statements  
December 31, 2024 and 2023  
(with Independent Auditor's  
Report Thereon)**

**Independent Auditor's Report**

To the Board of Directors  
Nonprofit New York, Inc.

***Opinion***

We have audited the accompanying financial statements of Nonprofit New York, Inc. (the "Organization"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the results of its activities 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. 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 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 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 generally accepted auditing standards 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 generally accepted auditing standards, 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.

*Condon O'meara McBinty & Donnelly LLP*

March 13, 2025

**NONPROFIT NEW YORK, INC.**

**Statements of Financial Position  
December 31, 2024 and 2023**

**Assets**

	<u><b>2024</b></u>	<u><b>2023</b></u>
Cash	\$ 369,074	\$ 472,664
Investments, at fair value	794,805	748,699
Accounts receivable	3,287	4,661
Grants and contributions receivable	34,888	250,000
Prepaid expenses	31,927	33,710
Property and equipment, net	9,549	4,113
Right-of-use asset – operating lease	<u>363,792</u>	<u>428,572</u>
<b>Total assets</b>	<b><u>\$ 1,607,322</u></b>	<b><u>\$ 1,942,419</u></b>

**Liabilities and Net Assets**

**Liabilities**

Accounts payable and accrued expenses	\$ 57,519	\$ 18,961
Deferred membership dues	178,389	161,635
Refundable advances	64,995	-
Operating lease liability	<u>777,265</u>	<u>923,926</u>
<b>Total liabilities</b>	<b><u>1,078,168</u></b>	<b><u>1,104,522</u></b>

**Net assets**

Without donor restrictions	387,418	488,547
With donor restrictions	<u>141,736</u>	<u>349,350</u>
<b>Total net assets</b>	<b><u>529,154</u></b>	<b><u>837,897</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 1,607,322</u></b>	<b><u>\$ 1,942,419</u></b>

See notes to financial statements.

# NONPROFIT NEW YORK, INC.

## Statement of Activities

Year Ended December 31, 2024 and 2023

	2024		2023	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
<b>Operating Activities:</b>				
<b>Revenue and support</b>		<b>Total</b>		<b>Total</b>
Grants and contributions	\$ 747,631	\$ 907,961	\$ 674,901	\$ 774,251
Contributed nonfinancial assets	49,935	49,935	40,500	40,500
Membership dues	423,481	423,481	440,220	440,220
Interest and dividends	32,762	32,762	29,306	29,306
Other	99,932	99,932	75,805	75,805
Conference	55,550	55,550	46,163	46,163
Net assets released from donor restrictions	367,944	-	275,000	(275,000)
Total revenue and support	1,777,235	1,569,621	1,581,895	1,406,245
<b>Expenses</b>				
Program services	1,304,869	1,304,869	1,217,549	1,217,549
Supporting activities				
Management and general	407,953	407,953	448,024	448,024
Fundraising	178,887	178,887	177,727	177,727
Total supporting services	586,840	586,840	625,751	625,751
Total expenses	1,891,709	1,891,709	1,843,300	1,843,300
<b>(Decrease) in net assets from operations</b>	<b>(114,474)</b>	<b>(322,088)</b>	<b>(261,405)</b>	<b>(437,055)</b>
<b>Non-operating Activities:</b>				
Net realized and unrealized gain on investments	13,345	13,345	30,606	30,606
<b>(Decrease) in net assets</b>	<b>(101,129)</b>	<b>(308,743)</b>	<b>(230,799)</b>	<b>(406,449)</b>
Net assets, beginning of year	488,547	837,897	719,346	1,244,346
Net assets, end of year	\$ 387,418	\$ 529,154	\$ 488,547	\$ 837,897

See notes to financial statements.

**NONPROFIT NEW YORK, INC.**

**Statement of Functional Expenses  
Year Ended December 31, 2024**

	Program Services				Supporting Activities				
	Member- Ship	Policy	Communi- cations	Capacity Building	Total Program Services	Management and General	Fund- raising	Total Supporting Services	
Salaries	\$ 188,933	\$ 196,643	\$ 161,202	\$ 160,839	\$ 707,617	\$ 156,449	\$ 118,693	\$ 275,142	\$ 982,759
Benefits and taxes	56,591	61,234	48,922	48,627	215,374	47,468	35,891	83,359	298,733
Contracted services	88,956	37,761	6,654	16,658	150,029	97,286	3,365	100,651	250,680
Information technology	5,875	6,333	6,658	4,084	22,950	8,601	2,844	11,445	34,395
Occupancy and utilities	21,102	19,640	18,599	17,874	77,215	16,245	12,351	28,596	105,811
Training and travel	108	3,335	-	4,092	7,535	5,813	-	5,813	13,348
Printing, production, and postage	-	-	-	-	-	497	-	497	497
Office equipment and supplies	442	472	388	469	1,771	1,706	253	1,959	3,730
Dues and subscriptions	3,833	11,405	2,733	5,019	22,990	11,486	2,021	13,507	36,497
Advertising	-	-	-	-	-	50,281	-	50,281	50,281
Services and events	3,386	5,405	-	57,111	65,902	2,259	1,651	3,910	69,812
Other	11,850	2,717	1,650	17,269	33,486	8,298	1,818	10,116	43,602
Depreciation and amortization	-	-	-	-	-	1,564	-	1,564	1,564
Total	\$ 381,076	\$ 344,945	\$ 246,806	\$ 332,042	\$1,304,869	\$ 407,953	\$ 178,887	\$ 586,840	\$1,891,709

See notes to financial statements.

**NONPROFIT NEW YORK, INC.**

**Statement of Functional Expenses  
Year Ended December 31, 2023**

	Program Services				Supporting Activities		
	Member- Ship	Policy	Communi- cations	Capacity Building	Total Program Services	Management and General	Total Supporting Services
Salaries	\$ 150,867	\$ 189,103	\$ 144,691	\$ 170,282	\$ 654,943	\$ 137,546	\$ 258,429
Benefits and taxes	36,555	47,804	31,764	40,531	156,654	42,877	72,040
Contracted services	78,492	33,006	1,333	59,026	171,857	147,549	158,271
Information technology	-	1,832	6,082	-	7,914	21,169	21,169
Occupancy and utilities	25,517	27,431	24,879	20,413	98,240	18,499	29,344
Training and travel	-	-	-	-	-	2,685	2,685
Printing, production, and postage	520	270	-	3,793	4,583	868	868
Office equipment and supplies	102	-	-	-	102	3,938	3,938
Dues and subscriptions	6,117	13,186	1,354	3,976	24,633	19,165	21,823
Advertising	-	-	-	-	-	41,112	41,112
Services and events	30,833	7,180	-	39,603	77,616	6,094	7,094
Other	10,892	2,115	1,918	6,082	21,007	5,347	7,803
Depreciation and amortization	-	-	-	-	-	1,175	1,175
<b>Total</b>	<b>\$ 339,895</b>	<b>\$ 321,927</b>	<b>\$ 212,021</b>	<b>\$ 343,706</b>	<b>\$1,217,549</b>	<b>\$ 448,024</b>	<b>\$ 625,751</b>
						<b>\$ 177,727</b>	<b>\$ 1,843,300</b>

See notes to financial statements.

**NONPROFIT NEW YORK, INC.**

**Statements of Cash Flows**  
**Years Ended December 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities</b>		
(Decrease) in net assets	\$ (308,743)	\$ (406,449)
Adjustments to reconcile (decrease) in net assets to net cash (used in) operating activities:		
Depreciation and amortization	1,564	1,175
Net realized and unrealized (gain) loss on investments	(13,345)	(30,606)
Operating lease amortization	64,780	121,009
(Increase) decrease in assets		
Accounts receivable	1,374	(4,661)
Grants and contributions receivable	215,112	245,463
Prepaid expenses	1,783	(20,881)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	38,558	(32,751)
Deferred membership dues	16,754	(6,210)
Refundable advances	64,995	-
Net change in lease liabilities	<u>(146,661)</u>	<u>(191,268)</u>
Net cash (used in) operating activities	<u>(63,829)</u>	<u>(325,179)</u>
<b>Cash flows from investing activities</b>		
Purchases of investments	(32,761)	(29,307)
Proceeds from investments	-	2,032
Purchases of property and equipment	<u>(7,000)</u>	<u>-</u>
Net cash (used in) investing activities	<u>(39,761)</u>	<u>(27,275)</u>
<b>Net (decrease) in cash</b>	<b>(103,590)</b>	<b>(352,454)</b>
<b>Cash, beginning of year</b>	<b><u>472,664</u></b>	<b><u>825,118</u></b>
<b>Cash, end of year</b>	<b><u>\$ 369,074</u></b>	<b><u>\$ 472,664</u></b>
<b>Supplemental disclosure of cash flows information:</b>		
Modification of lease liability	\$ <u>-</u>	<u>\$1,255,285</u>

See notes to financial statements.



**NONPROFIT NEW YORK, INC.****Notes to Financial Statements  
December 31, 2024 and 2023****Note 1 – Organization**

Nonprofit New York, Inc. (“the Organization”) is a not-for-profit organization incorporated in 1984. Nonprofit New York champions and strengthens nonprofits through capacity building and advocacy to cultivate a unified, just, and powerful nonprofit sector. The Organization’s financial support sources are principally membership dues from New York nonprofit organizations and grants and contributions from foundations, corporations, and individuals.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It has been classified as a publicly supported organization as described in Code Section 509(a)(1) and 170(b)(1)(A)(vi). The Organization is also a nonprofit membership organization incorporated under the State of New York laws. Accordingly, the Organization is not subject to income taxes except to the extent it has taxable income from activities unrelated to its exempt purposes. The Organization recognizes the effect of income tax positions only if these tax positions are more likely than not to be sustained. No provision for income taxes was required for the years ending December 31, 2024 and 2023. The Organization’s tax returns for the 2020 fiscal year and forward are subject to the usual review by the appropriate authorities.

**Note 2 – Summary of significant accounting policies**

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The significant accounting policies are described below.

*1. Basis of Presentation*

The net assets of the Organization and changes therein are classified and reported as follows:

**Net Assets Without Donor Restrictions**

Net assets without donor restrictions are available for the general operations of the Organization and are not subject to donor-imposed restrictions. These net assets also include those funds that are designated for specific purposes by the Board of Directors.

Board designated net assets consist of amounts to be used to ensure adequate cash and investments are available to meet future extraordinary events or any funding reduction that may cause hardship or budgetary constraints to the Organization. In 2006, the Board of Directors designated certain net assets for special purposes: \$650,000 as a reserve fund to be invested for growth with Board approval and \$200,000 as a special needs reserve fund to be available, with Board approval, for special projects and to help strengthen the infrastructure of the organization (see Note 6).

**NONPROFIT NEW YORK, INC.****Notes to Financial Statements (continued)**  
**December 31, 2024 and 2023****Note 2 – Summary of significant accounting policies (continued)**Net Assets With Donor Restrictions

Net assets with donor restrictions include gifts of cash and other assets received with donor stipulations that limit the use of the donated assets. When a donor restriction expires through the passage of time or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from donor restrictions. Contributions that are received with donor restrictions that are spent within the same fiscal year are reported as contributions without donor restrictions. The Organization has no net assets in which the donor requires the corpus to be maintained permanently.

Revenues and gains and losses on investments and other assets and liabilities are reported as changes in net assets without donor restrictions unless limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in net assets without donor restrictions.

Operating and Non-Operating Activities

The statements of activities distinguish between operating and non-operating activities. Operating activities include all revenues and expenses that are an integral part of the Organization's programs and supporting activities. Non-operating activities include net realized and unrealized gain (loss) and capital gain (loss) on investments and other nonrecurring items, if any.

*2. Cash equivalents*

The Organization considers highly liquid investments with original maturities of 90 days or less to be cash equivalents. The Organization considers money market funds to be part of the investment portfolio.

*3. Grants and Contributions Receivable*

Contributions, including unconditional promises to give, are recognized initially at fair value as revenues in the year received or pledged. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation.

Bequests are recorded as revenue when a legally binding obligation is recorded and when a fair value can reasonably be determined.

**NONPROFIT NEW YORK, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2024 and 2023**

**Note 2 – Summary of significant accounting policies (continued)**

3. *Grants and Contributions Receivable (continued)*

A contribution is conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or a right of release of the promisor's obligation to the transferred assets. Conditional contributions are recognized as revenue when the barriers on which they depend have been met. As of December 31, 2024, the Organization had conditional contributions for which barriers were not met totaling \$64,995. These amounts are reflected as refundable advances on the statement of activities as of December 31, 2024.

Grants and contributions receivable are scheduled to be received as of December 31, 2024 and 2023 as follows:

	<u>2024</u>	<u>2023</u>
Less than one year	\$ 34,888	\$ 250,000

The Organization does not have an allowance for grants and contributions receivable that may not be collectible. This is based on management's experience, the aging of the receivables, subsequent receipts, and current economic conditions.

4. *Investment Policy and Objective*

Investments in money market and mutual funds are reported at fair value based upon quoted market prices. Realized and unrealized gains or losses are reported in the statements of activities as increases or decreases in net assets without donor restrictions.

**Fair Value Measurements**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Fair value measurements establish a hierarchy giving the highest priority to quoted market prices in active markets (Level 1), the next priority (Level 2) to observable inputs other than Level 1 prices, such as quoted prices of similar assets, and the lowest priority to unobservable data (Level 3). Fair value measurements are required to be separately disclosed by level within the fair value hierarchy. At December 31, 2024 and 2023, the Organization's investments in money market funds and mutual funds are classified in the highest level of the hierarchy (Level 1).

**NONPROFIT NEW YORK, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2024 and 2023**

**Note 2 – Summary of significant accounting policies (continued)**

Fair Value Measurements (continued)

The Organization's primary investment objective is to maximize total return with minimal risk. Its goal is to preserve capital that is intended for the Organization's mission while generating cash flow to support current operations.

*5. Property and Equipment*

The Organization records property and equipment at cost. The Organization capitalizes expenditures above \$5,000 and that have a useful life greater than one year. Depreciation and amortization of property and equipment are provided on the straight-line method over the expected useful lives of the assets as follows:

Property and equipment	4 – 7 years
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*6. Recognition of Revenue*

Revenue from membership dues is recognized as revenue over the period to which the dues relate, which generally covers one year. Amounts collected in advance of such revenue recognition are deferred. Amounts received from conferences and meetings are recognized upon completion of such events.

At contract inception, the Organization assesses the services promised in the contracts with customers to identify the performance obligations in the arrangement. Generally, the contracts are considered to have a single performance obligation and are recognized over the duration of the membership period as service is performed, except for conferences and meetings that are recognized at a point-in-time, as described above. The transaction price is the contractually determined price based on internal pricing guidelines and discount agreements, if any.

Total revenue recognized over time and at a point in time was as follows for the years ended December 31, 2024 and December 31, 2023:

	<u>2024</u>	<u>2023</u>
Revenue recognized over time	\$ 423,481	\$ 440,220
Revenue recognized at a point in time	<u>230,544</u>	<u>191,774</u>
	<u>\$ 654,025</u>	<u>\$ 631,994</u>

## NONPROFIT NEW YORK, INC.

Notes to Financial Statements (continued)  
December 31, 2024 and 2023**Note 2 – Summary of significant accounting policies (continued)***7. Contributed nonfinancial assets*

Contributed non-financial assets are reflected in the financial statements at the estimated fair market value at the time of donation. Contributed non-financial assets recognized in the statement of activities totaled \$49,935 and \$40,500 for the years ended December 31, 2024 and December 31, 2023, respectively, and consist of advertising. Board members and other individuals volunteer their time and perform a variety of tasks that assist the Organization in carrying out its activities. These services do not meet the accounting standards to be recorded and have not been included in the financial statements.

*8. Functional Expense Allocations*

The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting activities benefited. Such allocations are based on the amount of staff time spent on each activity.

*9. Use of Estimates*

The preparation of financial statements in conformity with GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, 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.

*10. Concentrations of Credit Risk*

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, investments and grants and contributions receivable. The Organization places its cash with what it believes to be quality financial institutions. The Organization's investments are exposed to various risks such as interest rate, market volatility, liquidity and credit. Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position at December 31, 2024 and 2023. The Organization's management monitors the collectability of grants and contributions receivable. Management believes no significant concentration of credit risk exists with respect to its cash, investments and grants and contributions receivable.

**NONPROFIT NEW YORK, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2024 and 2023**

**Note 3 – Investments**

Investments held by the Organization, at fair value, as of December 31, 2024 and 2023 consisted of the following:

	Fair Value (Level 1)	
	<u>2024</u>	<u>2023</u>
Money market funds	\$ 467,334	\$ 444,104
<u>Mutual funds</u>		
Global equity fund	144,166	127,142
Inter-term corporate bond index fund	175,012	169,458
Short-term bond index fund	<u>8,293</u>	<u>7,995</u>
Total mutual funds	<u>327,471</u>	<u>304,595</u>
Total investments	<u>\$ 794,805</u>	<u>\$ 748,699</u>

A summary of net gain on investment transactions for the years ended December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Net realized and unrealized gain	\$ 13,345	\$ 30,606

**Note 4 – Property and equipment, net**

A summary of property and equipment, net is as follows as of December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Property and equipment	\$ 33,357	\$ 26,357
Less: Accumulated depreciation and amortization	<u>(23,808)</u>	<u>(22,244)</u>
Total	<u>\$ 9,549</u>	<u>\$ 4,113</u>

Depreciation and amortization expense for the years ended December 31, 2024 and 2023 amounted to \$1,564 and \$1,175, respectively.

**NONPROFIT NEW YORK, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2024 and 2023**

**Note 5 – Deferred membership dues**

Deferred membership dues consists of amounts collected in advance for membership as of December 31, 2024 and December 31, 2023.

The following table provides information about changes in the deferred membership dues revenue for the years ended December 31, 2024 and December 31, 2023:

	<u>2024</u>	<u>2023</u>
Unearned revenue, beginning of year	\$ 161,635	\$ 167,845
Revenue recognized that was included in unearned revenue at the beginning of the year	(161,635)	(167,845)
Increase in unearned revenue due to cash received during the year	<u>178,389</u>	<u>161,635</u>
Unearned revenue, end of year	<u>\$ 178,389</u>	<u>\$ 161,635</u>

**Note 6 – Net assets without donor restrictions**

Net assets without donor restrictions as of December 31, 2024 and 2023 are classified as follows:

	<u>2024</u>	<u>2023</u>
Board designated		
Reserve fund	\$ 650,000	\$ 650,000
Special needs reserve fund	67,454	67,454
Undesignated	<u>(330,036)</u>	<u>(228,907)</u>
Total net assets without donor restrictions	<u>\$ 387,418</u>	<u>\$ 488,547</u>

**Note 7 – Net assets with donor restrictions**

Net assets with donor restrictions are available to satisfy the following programs or time restrictions:

Programs	Balance at December 31, <u>2023</u>	<u>Additions</u>	Net Assets Released from Restrictions	Balance at December 31, <u>2024</u>
Membership services	\$ 61,500	\$ 38,937	\$ (57,200)	\$ 43,237
Policy	15,000	13,081	(15,000)	13,081
Capacity building	22,850	108,312	(45,744)	85,418
Time-restricted	<u>250,000</u>	<u>-</u>	<u>(250,000)</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 349,350</u>	<u>\$ 160,330</u>	<u>\$ (367,944)</u>	<u>\$ 141,736</u>

**NONPROFIT NEW YORK, INC.****Notes to Financial Statements (continued)  
December 31, 2024 and 2023****Note 8 – Commitments****Office lease agreements**

On October 2, 2018, the Organization executed a lease for office space at 320 East 43<sup>rd</sup> Street, 3<sup>rd</sup> Floor, New York, NY 10017. The lease commenced on June 28, 2019 (“Commencement Date”). The term of the new lease is 10 years from the Commencement Date, with two 5-year rights of renewal.

The fixed rent for the period from the commencement date through March 31, 2021 would be the lesser of \$304,150 or the maximum rental which the landlord may be permitted by law to charge without affecting the landlord’s real estate property tax exemption. Effective April 1, 2021, through each April thereafter, during the term of the lease, the rent would be increased by an amount equal to the Organization’s proportionate share of the landlord’s operating costs and amortization of the building renovations assets related to the Organization’s space, provided that in no event will the increase be greater than 2% per annum for the first 10 years; 3% per annum for each of the two renewal terms; or the maximum rent permitted to be charged without affecting the landlord’s real estate property tax exemption.

Effective December 11, 2020, the Organization executed an amended and restated first amendment to the original lease reflecting an agreement to defer rent of the current office space for the period commencing July 1, 2020 through and including June 30, 2021. It further agreed that the rent will be abated from the period commencing on July 1, 2021 and ending on June 30, 2022.

Effective March 29, 2023, the Organization executed an amended and restated second amendment to the lease. The second amendment reflects an agreement to relieve the Organization’s obligation to pay the deferred rent due under the first amendment and establishes a new annual fixed rent amount commencing on April 1, 2023. The annual fixed rent in the first year of the lease is \$175,000 and increases by 2% on April 1<sup>st</sup> of each year through lease expiration date. The Organization also has an option to renew the lease for two additional five years periods. The renewal periods are not reflected as an operating lease liability as of December 31, 2023.

The reduction in the amount of the rental payments due was accounted for as a lease modification as the leased asset and term of the lease was unchanged. The modification resulted in a remeasurement of the lease liability, reducing the lease liability and right-of-use asset by \$1,255,285.

Rental expenses for the years ended December 31, 2024 and 2023 were \$95,743 and \$121,009, respectively. Rental expenses are included in occupancy and utilities expense on the statement of functional expenses.



**NONPROFIT NEW YORK, INC.**

**Notes to Financial Statements (continued)**  
**December 31, 2024 and 2023**

**Note 8 – Commitments (continued)**

Office lease agreements (continued)

The following are the future remaining payments on the lease as of December 31, 2024:

<u>Year</u>	<u>Amount</u>
2025	\$ 181,178
2026	184,801
2027	188,497
2028	192,267
2029	<u>97,573</u>
Total	<u>844,316</u>
Less: present value discount	<u>67,051</u>
Total operating lease liability	<u>\$ 777,265</u>

**Note 9 – Retirement plan**

The Organization uses a registered professional employer organization (“PEO”) for payroll management. The Organization established a retirement plan through the PEO. The Organization contributed \$50,345 and \$44,988 to the plan for the years ended December 31, 2024 and 2023, respectively.

**Note 10 – Liquidity and availability of resources**

The Organization regularly monitors the liquidity required to meet its operating needs and other financial commitments while also striving to maximize the investment of its available funds. The Organization invests available cash needed for its general expenditures, liabilities, and other obligations in short-term investments, specifically money market funds and money market mutual funds.

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**Notes to Financial Statements (continued)**  
**December 31, 2024 and 2023**

**Note 10 – Liquidity and availability of resources (continued)**

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing activities of providing services to be general expenditures. Financial assets available for general expenditures available within one year from December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Cash	\$ 369,074	\$ 472,664
Investments, at fair value	794,805	748,699
Accounts receivable	3,287	4,661
Grants and contributions receivable due in one year	<u>34,888</u>	<u>250,000</u>
Sub-total	1,202,054	1,476,024
Less: board designated funds	<u>(717,454)</u>	<u>(717,454)</u>
Financial assets available for general expenditures within one year	<u>\$ 484,600</u>	<u>\$ 758,570</u>

**Note 11 – Subsequent events**

The Organization has evaluated events and transactions for potential recognition or disclosure subsequent to December 31, 2024 through March 13, 2025, which is the date the financial statements were available to be issued.