



EMPOWERING THE HOMELESS
IMPROVING COMMUNITIES

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
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FOR THE YEAR ENDED DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Association of Community Employment Programs
for the Homeless, Inc.
Long Island City, New York

Opinion

We have audited the accompanying financial statements of Association of Community Employment Programs for the Homeless, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 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 financial statements referred to above present fairly, in all material respects, the financial position of Association of Community Employment Programs for the Homeless, Inc. as of December 31, 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. 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 Association of Community Employment Programs for the Homeless, 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.

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 Association of Community Employment Programs for the Homeless, Inc.'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, including omissions, 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 Association of Community Employment Programs for the Homeless, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Association of Community Employment Programs for the Homeless, 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.



Eck Tax & Accounting

Park Ridge, NJ
May 15, 2023

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 358,672
Accounts receivable, net (Note 9)	3,282,117
Employee loans & advances	4,520
Prepaid Expenses	21,645
Total Current Assets (Note 3)	<u>3,666,954</u>

FIXED ASSETS:

Furniture, fixtures and equipment	94,592
Vehicles	492,965
Leasehold improvements	89,732
Less: accumulated depreciation	<u>(342,648)</u>
Fixed Assets, Net (Note 5)	334,641

Security deposit	<u>35,575</u>
TOTAL ASSETS	<u><u>\$ 4,037,170</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	<u>\$ 136,811</u>
Total Current Liabilities	136,811
Total Liabilities	<u>136,811</u>

Net assets

Without donor restrictions	3,900,359
With donor restrictions	<u>-</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 4,037,170</u></u>

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Gifts and grants	\$ 942,919	\$ -	\$ 942,919
Program services	7,252,171	-	7,252,171
Special events revenue (Note 9)	1,277,762	-	1,277,762
Special events expenses	(258,023)	-	(258,023)
Fundraising event, net of expenses (Note 9)	60,466	-	60,466
Investment loss	(8,828)	-	(8,828)
Total Revenues, Gains and Other Support	9,266,467	-	9,266,467
FUNCTIONAL EXPENSES			
Program services	7,615,874	-	7,615,874
Management and general	304,172	-	304,172
Fundraising	454,812	-	454,812
Total Functional Expenses	8,374,858	-	8,374,858
CHANGE IN NET ASSETS	891,609	-	891,609
Net assets, December 31, 2021	3,008,750	-	3,008,750
Net assets, December 31, 2022	<u>\$ 3,900,359</u>	<u>\$ -</u>	<u>\$ 3,900,359</u>

ASSOCIATION OF COMMUNITY EMPLOYMENT PROGRAMS FOR THE HOMELESS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022

	<i>Program Activities</i>			<i>Supporting Activities</i>			
	Project Comeback	Project Stay	Programs Subtotal	Management & General	Fundraising	Supporting Subtotal	Total Expenses
PERSONNEL COSTS							
Contract Services Wages	\$ -	\$ 3,395,545	\$3,395,545	\$ -	\$ -	\$ -	\$ 3,395,545
Staff Wages	752,405	897,542	1,649,947	160,006	251,590	411,596	2,061,543
Payroll Taxes	62,819	358,434	421,253	13,359	21,005	34,364	455,617
Employee Benefits	46,606	103,705	150,311	12,322	17,612	29,934	180,245
	<u>861,830</u>	<u>4,755,226</u>	<u>5,617,056</u>	<u>185,687</u>	<u>290,207</u>	<u>475,894</u>	<u>6,092,950</u>
OTHER EXPENSES							
Program Stipend/Retention	420,978	31,900	452,878	-	-	-	452,878
Sanitation Supplies & Storage	91,965	254,126	346,091	-	-	-	346,091
Insurance	63,500	134,678	198,178	38,074	24,622	62,696	260,874
Rent	171,584	24,512	196,096	24,512	24,512	49,024	245,120
Water Truck Operating	136,146	15,127	151,273	-	-	-	151,273
Program Uniforms	44,925	96,682	141,607	-	-	-	141,607
Depreciation & Amortization	38,359	38,359	76,718	16,439	16,439	32,878	109,596
Program Meals & Other	18,025	72,456	90,481	-	-	-	90,481
Payroll Processing	11,633	66,371	78,004	2,474	3,890	6,364	84,368
Development Consultants	-	35,525	35,525	-	35,525	35,525	71,050
Photocopier Rental & Maintenance	29,789	18,957	48,746	2,708	2,708	5,416	54,162
Client Education & Certifications	44,686	-	44,686	-	-	-	44,686
Dues & Subscriptions	16,374	9,824	26,198	3,275	3,275	6,550	32,748
Printing and Publications	2,920	-	2,920	1,460	24,817	26,277	29,197
Client Compliance & Evaluation	27,843	-	27,843	-	-	-	27,843
Accounting	-	-	-	24,300	-	24,300	24,300
Credit Card Fee	-	-	-	-	21,719	21,719	21,719
Website and IT	6,313	10,521	16,834	1,052	3,157	4,209	21,043
Conferences & Meetings	11,811	3,937	15,748	1,969	1,969	3,938	19,686
Office Supplies	12,881	5,304	18,185	379	379	758	18,943
Administration Services	6,156	2,638	8,794	208	-	208	9,002
Security	4,092	4,092	8,184	215	215	430	8,614
Staff training	6,000	2,000	8,000	-	-	-	8,000
Legal	-	4,016	4,016	-	1,004	1,004	5,020
Postage and Shipping	1,064	639	1,703	106	319	425	2,128
Bank Charges & Miscellaneous	55	55	110	939	55	994	1,104
NYS Charities Bureau	-	-	-	375	-	375	375
TOTAL OTHER EXPENSES	<u>1,167,099</u>	<u>831,719</u>	<u>1,998,818</u>	<u>118,485</u>	<u>164,605</u>	<u>283,090</u>	<u>2,281,908</u>
TOTAL EXPENSES	<u>\$ 2,028,929</u>	<u>\$ 5,586,945</u>	<u>\$ 7,615,874</u>	<u>\$ 304,172</u>	<u>\$ 454,812</u>	<u>\$ 758,984</u>	<u>\$ 8,374,858</u>

See independent auditor's report and notes to financial statements.

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets from operations	\$ 891,609
Depreciation	109,596
Change in assets and liabilities	
Accounts receivable	(1,232,960)
Rent abatements receivable	78,000
Prepaid expenses	(21,645)
Accounts payable	47,651
Employee loans and advances	(4,107)
Deferred rent	(3,239)
Net Cash Used In Operating Activities	(135,095)

CASH FLOWS FROM INVESTING ACTIVITIES:

Sale of investments	511,642
Capital expenditures	(117,692)
Net Cash Provided By Investing Activities	393,950
Net increase in cash and cash equivalents	258,855
Cash, Beginning of Year	99,817
CASH, END OF YEAR	\$ 358,672

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - NATURE OF ORGANIZATION

The Association of Community Employment Programs for the Homeless, Inc. (the “Organization”), is a New York not-for-profit organization formed in 1995 as the successor to the SoHo & Tribeca Partnerships originally formed in 1992. The Organization has its mission as working with the homeless men and women throughout New York City, providing job training, work experience and a lifetime of support network to help their program participants achieve their goals and establish economic independence.

The Organization’s program services include the following major components:

Project Comeback: This program provides recovering homeless individuals with the skills, support services and motivation they need to obtain and sustain full-time employment and economic independence. Participants receive job-readiness training, supported work experience, adult basic education, supplemental skills training and vocational support services including life skills development and job search assistance. Program activities take place seven days each week year-round, with each participant attending five days weekly, and graduating from the program once they find full-time employment.

Project Stay: This is the Organization’s aftercare program, which offers its graduates lifelong support and enrichment services aimed at helping them stay employed, explore opportunities for career growth, and continue to develop their living skills, especially those pertaining to financial literacy and money management. To assist graduates during their transition to self-sufficiency, the program offers regular support groups and one-on-one counseling as needed with Certified Rehabilitation Counselors. The program also provides a variety of workshops geared toward vocational, educational and personal advancement, covering topics such as communication skills, time management, conflict mediation and work/life balance.

Included in the Project Stay program, is the Contract Services initiative. Through this initiative, the Organization employs graduates to perform daily supplemental sanitation services across New York. This initiative provides critical employment opportunities for the Organization’s program participants, who have histories of homelessness, incarceration and addiction. The full-time employees are able to make their transition to independence while continuing to receive all of the program support that is available.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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 (U.S. GAAP).

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The financial statement presentation follows the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Non-for-Profit Entities*. The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the nonprofit Organization or by the passage of time. When a donor restriction expires, the net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three (3) months or less to be cash equivalents.

Property and Equipment

The Organization records property and equipment at cost, or if received by donation, at estimated fair value at the time such items are received. Property and equipment with a cost or fair value in excess of \$5,000 with a useful life in excess of one year are capitalized. Major repairs and replacements that extend the useful life of property are similarly capitalized. Expenditures for repairs and maintenance are charged to expense as incurred. Vehicles, furniture, fixtures, and equipment are depreciated using the straight-line method over their useful lives which range from five to ten years. Leasehold improvements are amortized over the shorter of the remaining life of the lease or the actual asset life. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from accounts, and any related gain or loss is reflected in income for the period.

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contracts with local government agency: The Organization has contracts with a local government agency that require payment at the end of the agency's June 30, 2022 fiscal year end. Revenue related to these contracts has been recognized based on an estimate of the percentage for the unregistered contracted services provided as of December 31, 2022. Revenue from registered contracts are recognized based on actual expenses incurred.

Contributions: All contributions are considered available for the general programs of the Organization, unless specifically restricted by the donor. The Organization reports all monetary gifts as support with donor restrictions if they are received with donor stipulations that limit their use or are subject to time restrictions.

Promises to give: Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions are met or expire in the fiscal year in which the contributions are recognized. All other donor restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction is met or expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donated services: Donated services are defined as services that require specialized skills that would otherwise have been purchased by the Organization. No amounts have been reflected in the financial statements for donated services of volunteers because they do not meet the criteria for recognition in the financial statements under accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

Functional expenses have been allocated between program services, and supporting services based upon actual costs and percentage of personnel time devoted to each area. Certain overhead costs have been allocated based upon analysis of aggregate charges within each functional area.

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

The Organization follows FASB guidance on fair value, which, among other things, defines fair value, establishes a hierarchical framework for measuring fair value, and expands disclosure about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy is organized into three levels based upon the assumptions (referred to as “inputs”) used in pricing the asset or liability, as follows:

Level I: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access the measurement date.

Level II: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, with fair value being determined through the use of models or other valuation methodologies.

Level III: Inputs are observable for the asset or liability and are used to the extent that observable inputs do not exist. Level 3 inputs require significant management judgment and estimation. Factors considered include the purchase cost, prices of recent private placements of the same issuer, liquidity of the investment, changes in financial condition of the issuer, and valuations of similar companies.

Inputs generally refer to the assumptions that market participants use to make valuation decisions. The inputs or methods used for valuing investments are not necessarily an indication of the risk associated with those investments. The valuation methodologies used may involve a significant degree of judgement. Accordingly, the degree of judgment exercised by the Organization in determining fair value is greatest for securities categorized in *Level III*. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

New Accounting Pronouncements

ASU 2016-02 Leases (Topic 842): In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASU) No. 2016-02, Leases (Topic 842). The ASU’s core principle is to increase transparency and comparability among organizations by requiring recognition or rights and obligations from lease contracts longer than one year as assets and liabilities on the balance sheet.

The pattern of expense recognition in the statement of activities will depend on a lease’s classification. For not-for-profit organizations, the standard takes effect for fiscal years beginning after December 15, 2022. The Organization is evaluating the effect that ASU No. 2016-02 will have on its financial statements and related disclosures.

See independent auditor’s report.

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASU 2020-07(Topic 958): In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Non-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets. Under the new standard's requirements, gifts-in-kind are to be presented as a separate line item on the statement of activities, with additional disclosures. The ASU requires the new standard to be applied retrospectively, with amendments taking effect for annual periods beginning after June 15, 2022. The Organization is evaluating the impact this standard will have on future financial statements.

NOTE 3 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available for general expenditure within one year of the balance sheet date for general expenditures are as follows:

	<u>2022</u>
Cash and cash equivalents	\$ 358,672
Accounts receivable, net	3,282,117
Employee loan & advances	4,520
Prepaid Expenses	<u>21,645</u>
	<u>\$ 3,666,954</u>

As part of its liquidity management, the Organization structures its financial assets to be available to satisfy its general expenditures, current liabilities, and other obligations as they come due. The Organization evaluates its net assets without donor restrictions position annually and ensures availability of cash. The Organization's investment policy is to invest its funds entirely in cash and cash equivalents to minimize exposures to market risks and preserve constant dollar value.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2022</u>
Furniture, fixtures and equipment	\$ 94,592
Vehicles	492,965
Leasehold improvements	<u>89,732</u>
	677,289
Less accumulated depreciation	<u>(342,648)</u>
Fixed assets, net	<u>\$ 334,641</u>

Depreciation expense was \$109,596, for the year ended December 31, 2022.

See independent auditor's report.

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 5 - TAX STATUS

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is not subject to federal income taxes. The Organization is required to file a Return of Organization Exempt from Income Tax (Form 990) annually, with the IRS. In addition, the entity is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purposes. The entity has determined it has no activities subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS, for the year ended December 31, 2022.

Generally, federal and state authorities may examine the Organization's informational tax returns for up to three (3) years from date of filing. Consequently, income tax returns for years prior to 2019 are no longer subject to examination by tax authorities.

NOTE 6 - COMMITMENTS

On August 3, 2016 the Organization entered into a ten year lease to occupy 7,115 square feet of usable space at 30-30 Northern Blvd, Long Island City, New York. The lease was to commence on June 1, 2017, the expected completion date of all construction, and continue through May 31, 2027.

The Organization took occupancy of the space in June of 2017 but construction was not substantially completed as had been stipulated in the lease. The landlord completed all construction in early 2018 and normal lease payments commenced in May of 2018. Future annual minimum lease payments due under the operating lease as of December 31, 2022, are as follows:

<u>Year</u>	<u>Base Rent</u>
2023	252,376
2024	259,751
2025	267,070
2026	275,099
Thereafter	<u>116,035</u>
	<u>\$ 1,170,331</u>

Total operating lease expense was \$245,120, for the year ended December 31, 2022.

NOTE 7 - CONCENTRATION RISK

Cash and cash equivalents are insured up to \$250,000 by the Federal Deposit Insurance Corporation (the "FDIC"). At times the Organization's cash balances exceed the FDIC limit and as a result, the excess amount is not insured by the FDIC. Risk is managed by maintaining significant balances in highly qualified financial institutions.

The Organization receives a significant amount of its income from a few private foundations.

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 8 - SPECIAL EVENTS

Special events generate revenue for the Organization as well as raise awareness about the Organization's mission. Some events are annual and some are incidental to the Organization's central activities and do not happen regularly.

The Organization held one annual event during the year ended December 31, 2022 related to its annual Gala as follows:

Changes in net assets without donor restrictions:		
Special event revenue	\$ 1,277,762	
Less: Cost of direct benefits to donors	<u>(258,023)</u>	
Net revenue from special events		1,019,739
Other fundraising events revenue	78,626	
Less: Cost of fundraising event	<u>(18,160)</u>	
Net revenue from other fundraising event		<u>60,466</u>
Total		<u>\$ 1,080,205</u>

NOTE 9 - ACCOUNTS RECEIVABLE

A significant amount of the Organization's accounts receivable consists of outstanding invoices with local business entities and state and local authorities for the program revenue derived from cleaning, sanitation and horticultural services provided by the participants.

The carrying amount of accounts receivable net of allowance for doubtful accounts is as follows:

Current	\$ 792,276
Overdue 31 – 60 days	641,469
Overdue 61 – 120 days	<u>1,848,372</u>
Total	<u>\$ 3,282,117</u>

The Organization maintains an allowance for doubtful accounts for estimated credit losses resulting from collection risks, including the inability of agencies to make required payment under contractual agreements. The allowance for doubtful accounts is reported as a reduction of receivables in the statement of financial position. The adequacy of this allowance is determined by evaluating historical delinquency and write-off trends, specific known collection risks, as well as current economic conditions.

For the year ended December 31, 2022, the Organization determined that it generally did not have collection risk on its accounts receivable because of the nature of its major customer which is the City of New York.

ASSOCIATION OF COMMUNITY EMPLOYMENT
PROGRAMS FOR THE HOMELESS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 10 - RELATED PARTY

The founder and a director of the Organization is also a director of the Association of Charles Evans Housing Foundation, a large Organization benefactor that made contributions to the Organization of \$455,457 for the year ended December 31, 2022.

NOTE 11 - RETIREMENT PLAN

The Organization provides its employees with a 401(k) retirement plan. Pension plan expense represents matching of up to 4% of participating employees' compensation. The employer contribution to the plan was \$75,317 for the year ended December 31, 2022.

NOTE 12 - SUBSEQUENT EVENTS

In accordance with ASC 855, the Organization evaluated subsequent events through May 15, 2023, the date these financial statements were available to be issued. There are no material subsequent events that have occurred subsequent to the financial position date through, May 15, 2023, that required recognition or additional disclosure in these financial statements.