

**The Partnership To End Homelessness, Inc.  
and Affiliate**

Combined Financial Statements

June 30, 2025 and 2024

## **Independent Auditors' Report**

### **Board of Directors**

### **The Partnership To End Homelessness, Inc. and Affiliate**

### **Opinion**

We have audited the accompanying combined financial statements of The Partnership To End Homelessness, Inc. and Affiliate (the "Organizations"), not-for-profit organizations, which comprise of the combined statements of financial position as of June 30, 2025 and 2024 and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Organizations as of June 30, 2025 and 2024, and the changes in their net assets and their 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organizations and to meet our other ethical responsibilities in accordance with the relevant ethical 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.

### **Correction of Error**

As discussed in Note 10 to the combined financial statements, certain errors resulting in overstatement of amounts previously reported for due from government agencies and contract and service fees from governmental agencies as of June 30, 2023, were discovered by management of the Partnership during the current year. Accordingly, amounts reported for due from government agencies and contract and service fees from governmental agencies have been restated in the 2024 financial statements now presented, and an adjustment has been made to net assets as of June 30, 2024, to correct the error. Our opinion is not modified to that matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the combined 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 the combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

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### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 combined 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 combined 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 combined 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 Organizations' 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' 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.

*PKF O'Connor Davies, LLP*

December 18, 2025

# The Partnership To End Homelessness, Inc. and Affiliate

## Combined Statements of Financial Position

	June 30	
	2025	(Restated) 2024
<b>ASSETS</b>		
Cash and cash equivalents	\$ 106,469	\$ 259,775
Investments	2,949,062	2,191,715
Due from governmental agencies	183,769	118,103
Grants receivable	492,370	150,000
Prepaid expenses and other assets	57,542	68,176
Security deposits and other	-	9,100
Property and equipment, net	<u>194,482</u>	<u>226,382</u>
	<u><u>\$ 3,983,694</u></u>	<u><u>\$ 3,023,251</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 35,162	\$ 30,522
Accrued payroll and related liabilities	267,171	230,411
Contract program advances payable	<u>272,040</u>	<u>272,040</u>
Total Liabilities	<u>574,373</u>	<u>532,973</u>
Net Assets		
Without Donor Restrictions		
Undesignated	1,490,905	1,485,623
Board designated	<u>1,105,891</u>	<u>730,742</u>
Total Without Donor Restrictions	2,596,796	2,216,365
With donor restrictions	<u>812,525</u>	<u>273,913</u>
Total Net Assets	<u>3,409,321</u>	<u>2,490,278</u>
	<u><u>\$ 3,983,694</u></u>	<u><u>\$ 3,023,251</u></u>

See notes to combined financial statements

**The Partnership To End Homelessness, Inc. and Affiliate**

Combined Statements of Activities

	Year Ended June 30, 2025			Year Ended June 30, 2024 (Restated)		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>						
Contract and service fees from governmental agencies	\$ 726,371	\$ -	\$ 726,371	\$ 873,091	\$ -	\$ 873,091
Contributions and grants	1,751,964	818,775	2,570,739	1,537,926	275,000	1,812,926
Special events, net of expenses (\$4,502 and \$0)	9,295	-	9,295	-	-	-
In-kind contributions	80,720	-	80,720	132,013	-	132,013
Interest and other	46,120	-	46,120	108,199	-	108,199
Unrealized gain on investments	60,256	-	60,256	35,918	-	35,918
Net assets released from restrictions	280,163	(280,163)	-	251,087	(251,087)	-
Total Revenue and Support	<u>2,954,889</u>	<u>538,612</u>	<u>3,493,501</u>	<u>2,938,234</u>	<u>23,913</u>	<u>2,962,147</u>
<b>EXPENSES</b>						
Program services	<u>2,066,782</u>	<u>-</u>	<u>2,066,782</u>	<u>2,866,890</u>	<u>-</u>	<u>2,866,890</u>
Support Services						
Management and general	305,342	-	305,342	440,403	-	440,403
Fundraising	<u>202,334</u>	<u>-</u>	<u>202,334</u>	<u>118,267</u>	<u>-</u>	<u>118,267</u>
Total Support Services	<u>507,676</u>	<u>-</u>	<u>507,676</u>	<u>558,670</u>	<u>-</u>	<u>558,670</u>
Total Expenses	<u>2,574,458</u>	<u>-</u>	<u>2,574,458</u>	<u>3,425,560</u>	<u>-</u>	<u>3,425,560</u>
Change in Net Assets	380,431	538,612	919,043	(487,326)	23,913	(463,413)
<b>NET ASSETS</b>						
Beginning of year	<u>2,216,365</u>	<u>273,913</u>	<u>2,490,278</u>	<u>2,703,691</u>	<u>250,000</u>	<u>2,953,691</u>
End of year	<u>\$ 2,596,796</u>	<u>\$ 812,525</u>	<u>\$ 3,409,321</u>	<u>\$ 2,216,365</u>	<u>\$ 273,913</u>	<u>\$ 2,490,278</u>

See notes to combined financial statements

**The Partnership To End Homelessness, Inc. and Affiliate**

Combined Statement of Functional Expenses  
Year Ended June 30, 2025

	Program Services					Support Services			
	Housing and Crisis	Health and Well-Being	Education and Public Narrative		Total Program Services	Management and General	Fundraising	Total Support Services	Total Expenses
	Housing	Mental Health	Education Access	Public Narrative					
<b>PERSONNEL COSTS</b>									
Salaries	\$ 631,544	\$ 191,807	\$ 53,995	\$ 52,479	\$ 929,825	\$ 33,474	\$ 64,562	\$ 98,036	\$ 1,027,861
Fringe benefits	205,696	62,472	17,586	17,093	302,847	10,903	21,028	31,931	334,778
Total Personnel Costs	<u>837,240</u>	<u>254,279</u>	<u>71,581</u>	<u>69,572</u>	<u>1,232,672</u>	<u>44,377</u>	<u>85,590</u>	<u>129,967</u>	<u>1,362,639</u>
<b>OTHER THAN PERSONNEL COSTS</b>									
Professional fees	208,722	51,809	3,840	3,732	268,103	170,827	60,917	231,744	499,847
Occupancy	98,077	29,787	8,386	8,150	144,400	5,200	10,026	15,226	159,626
Telephone and communications	21,657	6,577	1,852	1,800	31,886	1,148	2,214	3,362	35,248
Office expenses	48,969	14,872	4,187	4,069	72,097	20,555	29,058	49,613	121,710
Equipment purchase and rental	109	33	9	9	160	6	11	17	177
Travel, conferences and training	2,961	899	253	246	4,359	3,944	303	4,247	8,606
Depreciation and amortization	20,291	6,163	1,734	1,686	29,874	1,074	2,075	3,149	33,023
Mental health supportive services	251,515	23,282	-	2,567	277,364	-	-	-	277,364
Donated legal services	5,867	-	-	-	5,867	58,211	16,642	74,853	80,720
Total Other than Personnel Costs	<u>658,168</u>	<u>133,422</u>	<u>20,261</u>	<u>22,259</u>	<u>834,110</u>	<u>260,965</u>	<u>121,246</u>	<u>382,211</u>	<u>1,216,321</u>
Total Expenses Before Expenses Deducted Directly from Revenues	<u>1,495,408</u>	<u>387,701</u>	<u>91,842</u>	<u>91,831</u>	<u>2,066,782</u>	<u>305,342</u>	<u>206,836</u>	<u>512,178</u>	<u>2,578,960</u>
Expenses Deducted Directly from Revenues on the Statement of Activities									
Direct costs of special events	-	-	-	-	-	-	(4,502)	(4,502)	(4,502)
Total Expenses Reported by Function on the Statement of Activities	<u>1,495,408</u>	<u>\$ 387,701</u>	<u>\$ 91,842</u>	<u>\$ 91,831</u>	<u>\$ 2,066,782</u>	<u>\$ 305,342</u>	<u>\$ 202,334</u>	<u>\$ 507,676</u>	<u>\$ 2,574,458</u>

See notes to combined financial statements

**The Partnership To End Homelessness, Inc. and Affiliate**

Combined Statement of Functional Expenses  
Year Ended June 30, 2024

	Program Services					Support Services				
	Housing and Crisis	Health and Well-Being		Education and Public Narrative		Total	Management and General	Fundraising	Total	Total Expenses
	Housing	Mental	OMH	Education	Public	Program			Support	
		Health		Access	Narrative	Services			Services	
<b>PERSONNEL COSTS</b>										
Salaries	\$ 505,868	\$ 142,838	\$ 38,860	\$ 54,205	\$ 47,033	\$ 788,804	\$ 86,920	\$ 34,115	\$ 121,035	\$ 909,839
Fringe benefits	184,677	52,146	14,187	19,789	17,170	287,969	31,732	12,451	44,183	332,152
Total Personnel Costs	690,545	194,984	53,047	73,994	64,203	1,076,773	118,652	46,566	165,218	1,241,991
<b>OTHER THAN PERSONNEL COSTS</b>										
Professional fees	283,241	102,297	28,146	8,476	7,355	429,515	255,680	34,915	290,595	720,110
Occupancy	81,861	29,374	-	8,763	7,603	127,601	14,812	5,541	20,353	147,954
Telephone and communications	29,421	10,557	-	3,149	2,733	45,860	5,323	1,992	7,315	53,175
Office expenses	56,821	19,428	961	6,083	5,278	88,571	23,215	21,043	44,258	132,829
Equipment purchase and rental	7,266	2,607	-	778	675	11,326	1,315	492	1,807	13,133
Travel, conferences and training	2,962	1,120	-	304	264	4,650	1,889	192	2,081	6,731
Depreciation and amortization	41,015	14,718	-	4,391	3,810	63,934	7,421	2,779	10,200	74,134
Mental health supportive services	677,009	124,906	-	-	101,575	903,490	-	-	-	903,490
Donated legal services	70,397	25,285	-	7,543	6,545	109,770	12,096	4,747	16,843	126,613
Donated art	2,970	2,430	-	-	-	5,400	-	-	-	5,400
Total Other than Personnel Costs	1,252,963	332,722	29,107	39,487	135,838	1,790,117	321,751	71,701	393,452	2,183,569
Total Expenses	\$ 1,943,508	\$ 527,706	\$ 82,154	\$ 113,481	\$ 200,041	\$ 2,866,890	\$ 440,403	\$ 118,267	\$ 558,670	\$ 3,425,560

# The Partnership To End Homelessness, Inc. and Affiliate

## Combined Statements of Cash Flows

	Year Ended June 30	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 919,043	\$ (463,413)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	33,023	74,134
Unrealized gain on investments	(60,256)	(35,918)
Changes in assets and liabilities		
Due from governmental agencies	(65,666)	387,520
Prepaid expenses and other assets	10,634	(1,935)
Grants receivable	(342,370)	100,000
Security deposits and other	9,100	-
Accounts payable and accrued expenses	4,640	(58,182)
Accrued payroll and related liabilities	36,760	51,287
Contract program advances payable	-	184,639
Net Cash from Operating Activities	<u>544,908</u>	<u>238,132</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(1,123)	(15,402)
Purchase of investments	(1,849,223)	(2,155,797)
Sale of investments	<u>1,152,132</u>	<u>-</u>
Net Cash from Investing Activities	<u>(698,214)</u>	<u>(2,171,199)</u>
Change in Cash and Cash Equivalents	(153,306)	(1,933,067)
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>259,775</u>	<u>2,192,842</u>
End of year	<u>\$ 106,469</u>	<u>\$ 259,775</u>

See notes to combined financial statements



## **The Partnership To End Homelessness, Inc. and Affiliate**

### **Notes to Combined Financial Statements June 30, 2025 and 2024**

#### **1. Organization**

The Partnership To End Homelessness' values - compassion, inclusion, integrity, professionalism and social justice – steer our strategy, decision-making, and operations as we work to achieve our mission of ending homelessness by preventing it.

The Partnership To End Homelessness, Inc. (the "Partnership") is a homelessness prevention organization. The Partnership's upstream intervention model combines housing assistance and crisis services with mental health and education programming to prevent people from losing their homes. The Partnership's services are available to New Yorkers of any ability, age, family type, gender, national origin, race and sexual orientation who are at risk of experiencing or recovering from homelessness. Prevention is the most humanitarian and cost-effective way to end homelessness.

In FY ("fiscal year") 25, the Partnership saved homes for 2,080 households, an equivalent of more than \$200 million in public savings on the cost of shelter provision. During the FY23 - FY25 strategy period, the Partnership has saved homes for more than 13,000 New Yorkers in approximately 5,500 households, the equivalent of more than half a billion in public savings in shelter provision. The Partnership's evaluation of the FY23 - FY25 period shows that 93% of households remained housed. All statistical figures presented above are unaudited and based on management's internal calculations and estimates.

The accompanying combined financial statements include the assets, liabilities, net assets and activities of the Partnership and The Partnership Homeless Facilities Corporation (the "Corporation"), collectively known as (the "Organizations"). Each affiliated entity is a New York State not-for-profit corporation. The accompanying financial statements are combined based on common board of directors of both entities and the fact that the Corporation's mission primarily, but not exclusively, is to support the mission of the Partnership.

The Partnership shares certain members and officers of its Board of Directors with a not-for-profit affiliate, the Corporation, which was organized to provide rental space to the Partnership.

The Organizations are qualified as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code and, accordingly, are not subject to Federal income taxes. The Internal Revenue Service has classified the Partnership and the Corporation as organizations that are not private foundations as defined in Section 509(a)(2) of the Internal Revenue Code.

The Partnership receives support from individuals, corporations, and foundations, as well as revenue through contracts with various governmental agencies to provide the full suite of housing, health, education and emergency services it offers.

The Partnership's services, offered across the five boroughs, are putting the building blocks in place to address immediate housing needs, create stability through important health interventions, disrupt generational homelessness, and change the public narrative about homelessness. This multi-pronged approach is grounded in prevention and partnership, and is realized through the following programmatic objectives and initiatives:

## **The Partnership To End Homelessness, Inc. and Affiliate**

### **Notes to Combined Financial Statements**

June 30, 2025 and 2024

#### **1. Organization (continued)**

##### ***Program Services***

Housing Assistance and Crisis Assistance: The Partnership's Save Homes rental arrears assistance program address crises and provide intensive casework to keep New Yorkers permanently housed.

Save Homes (Housing): The Partnership's rental arrears assistance program is a full grant payment (no loans) that is accessible to immigrants and citizens, regardless of employment status. The Partnership provides rental assistance as a first step to keeping New Yorkers safely housed while the Partnership provides them with ongoing support to secure and/or improve their income. This work includes NYC one shot deal navigation and related advocacy for all eligible families, landlord negotiations and mediation to secure rent and arrears discounts, new leases, repairs and timely payments; and, collaborations with legal services partners to ensure legal representation for clients.

Safe Homes (Emergency Services): The Partnership's rehousing program serves clients who are experiencing domestic and gender-based violence that prevents them from remaining in their current homes. The Partnership works with New Yorkers impacted by violence to find new safe homes and provide guaranteed rent and supportive services for up to two years to ensure housing and health stability. Services include landlords and broker relations; housing searches and housing quality standards ("HQS") inspections, rent reasonableness assessments, lease negotiations, financial assistance for qualifying moving and utility costs, and the development of individual Rapid Rehousing Manuals that explain lease terms, tenant rights and responsibilities and the rental assistance breakdown plan.

In tandem with these interventions, the Partnership stabilizes families by providing crisis intervention services and casework to give clients access to government benefits, education access, financial empowerment, emergency food programs, childcare, small cash grants, assistance through the Partnership's on-site pantry and other emergency services.

Health and Well-Being: The Partnership's Sound Homes health and well-being program addresses the mental health and emotional well-being needs of the Partnership's clients. In addition to, and often underlining, the struggle to keep a roof over their heads and survive on low incomes, the Partnership's clients are surviving trauma and discrimination.

## The Partnership To End Homelessness, Inc. and Affiliate

### Notes to Combined Financial Statements

June 30, 2025 and 2024

#### 1. Organization (*continued*)

##### ***Program Services (continued)***

Sound Homes (Mental Health): The Partnership's mental health and well-being program provides clients access to culturally-competent mental health screenings, one-on-one counseling (in-person and through telehealth), peer support, facilitated workshops and groups on topics such as sexual trauma, parenting and tenant's rights and responsibilities. The program also facilitates connections to primary and mental health care providers to address chronic health conditions potentially exacerbated by or driving housing instability. Case management services offered are tailored to the needs of each client and the intensity and duration of the services is adapted to their specific needs and may fluctuate over time.

The Partnership's mental health and well-being program ensures the Partnership is a trauma-informed environment. The road to stability is not always linear, and periods of disengagement or crisis are normalized and validated. The Partnership's trauma-informed approach is mindful of the potential for interventions to evoke trauma, confusion or hardship, which may in turn trigger disengagement, crisis or setbacks. The Partnership works with their clients for at least one year and continue to be available whenever a client may need the Partnership in the future.

OMH: The Partnership addresses clients' clinical and emotional well-being needs to ensure that they are less likely to transition in and out of homelessness. The Partnership supports the New York State Office of Mental Health ("NYS OMH") by overseeing and monitoring fund reimbursements to intensive case managers employed by that governmental agency, to help make certain that those exiting psychiatric care can access the range of support they need to live independently and safely, and build roots in their community. The Partnership is working with OMH to close the contract and to end the program.

Education Access and Public Narrative: The Partnership works in community and in collaborations to change the public understanding of homelessness and increase awareness that:

- a) women and children of color, lesbian, gay, bi-sexual, transgender, queer/questioning, intersex, and asexual ("LGBTQIA+"), immigrant and older New Yorkers are the primary groups hurt by homelessness.
- b) a majority of the families at risk or experiencing homelessness are living with complex trauma.
- c) prevention is the most cost-effective and humanitarian approach to solve the problem. The Partnership works with partners to ensure access to education as a means of ending intergenerational homelessness and provides education programming to augment its health and well-being programming including financial empowerment, budgeting, banking and credit and employment/career development.

## **The Partnership To End Homelessness, Inc. and Affiliate**

### **Notes to Combined Financial Statements**

June 30, 2025 and 2024

## **2. Summary of Significant Accounting Policies**

### ***Basis of Presentation and Use of Estimates***

The accompanying combined financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the combined financial statements and the amount of revenues and expenses recognized during the reporting period. Accordingly, actual results could differ from those estimates.

### ***Principles of Combination***

The Organizations have transactions between each other relating to rental of the Corporation's condominium units to the Partnership. The income and expense and intercompany liability and receivable balances resulting from these transactions have been eliminated in these combined financial statements.

### ***Net Asset Presentation***

The Organizations report information regarding financial position and activities according to two classes of net assets: without and with donor restrictions.

*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 Organizations. This category also includes amounts designated by the Board of Directors. These net assets may be used at the discretion of the Organizations' management and Board of Directors.

*With donor restrictions* – Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organizations or by the passage of time. Other donor restrictions are permanent in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions.

### ***Cash and Cash Equivalents***

Cash and cash equivalents include cash balances held in bank accounts and highly liquid debt instruments with maturities of three months or less at the time of purchase. At times, cash deposits may exceed the Federal Deposit Insurance Corporation ("FDIC") limit.

## **The Partnership To End Homelessness, Inc. and Affiliate**

Notes to Combined Financial Statements  
June 30, 2025 and 2024

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Due from Government Agencies and Grants Receivable***

Due from government agencies and grants receivable are stated at the amount that management expects to collect from outstanding balances. Management provides an allowance for doubtful accounts based on prior experience and its assessment of the collectability of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance account and a reduction to the receivable. Management has concluded that no allowance is necessary at June 30, 2025 and 2024.

#### ***Contributions, Grants and Pledges Receivable***

Unconditional contributions, including promises to give cash and other assets, are reported at net realizable value at the date the contribution is received. Gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on these amounts are computed using risk adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

#### ***Property and Equipment***

The Organizations follow the practice of capitalizing all expenditures for property and equipment with a cost in excess of \$1,000 and an estimated useful life of at least five years. Property and equipment are recorded at cost and depreciation is recognized using the straight-line method over the estimated useful lives of such assets using a half-year convention in the year of acquisition. Leasehold improvements are amortized over the shorter of the useful life of the asset or the remaining term of the lease, including renewal periods which are considered to be reasonably assured. The estimated useful lives are as follows:

Condominium unit	40 years
Condominium improvements	10 years
Leasehold improvements	10 years
Furniture, fixtures and equipment	5 years

The Partnership's governmental contracts generally provide that title to depreciable assets remain with the government agency and, accordingly, such equipment purchases are charged to expense.

## **The Partnership To End Homelessness, Inc. and Affiliate**

### **Notes to Combined Financial Statements June 30, 2025 and 2024**

#### **2. Summary of Significant Accounting Policies (*continued*)**

##### ***Impairment of Long-Lived Assets***

U.S. GAAP guidance, *Accounting for the Impairment or Disposal of Long-Lived Assets*, requires long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived assets is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, impairment would then be measured as the difference between the fair value of the asset and its carrying value to determine the amount of the impairment. The Organizations generally determine fair value by using the undiscounted cash flow method. No impairment losses have been recognized during the years ended June 30, 2025 and 2024.

##### ***Fair Value Measurements***

The Organizations follow U.S. GAAP guidance on fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest level of reliance and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

##### ***Investments and Investment Income Recognition***

Investments are carried at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded at ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

##### ***OMH Custodial Funds***

Funds are held by the Partnership on behalf of NYS OMH. These funds are disbursed by the Partnership to New York City-based OMH Centers at the request of, or on behalf of, NYS OMH.

As of June 30, 2024 the Partnership no longer works on this contract with OMH. Monies advanced under the contract amounted to \$272,040 and are included in contract program advances payable. The Partnership is working with OMH to close the contract.

##### ***Grant Revenue Recognition***

Contract program revenue and client service dollars are accrued when earned to the extent that expenses related to that contract program have been incurred. Any unexpended funds are considered refundable advances and reported as contract program advances payable. Revenue earned on these contracts for expenses incurred is subject to audit by the contract agency.

## The Partnership To End Homelessness, Inc. and Affiliate

### Notes to Combined Financial Statements June 30, 2025 and 2024

## 2. Summary of Significant Accounting Policies (*continued*)

### ***In-Kind Contributions***

In-kind contributions are recorded as income and expenses at the time the items are received, which is also the time they are placed into service. Donated services are reported as income and expense at their fair value if such services create value or would have been purchased if not provided by donation, require specialized skills, and are provided by individuals possessing such specialized skills.

The Organizations received donated services for the years ended June 30, as follows:

	<u>2025</u>	<u>2024</u>	<u>Usage in Program/Activities</u>	<u>Donor Restriction</u>	<u>Fair Value Techniques</u>
Legal services	\$ 80,720	\$126,613	Program and Administration	None	Estimated based on current rates of legal services provided by law firm
Art	<u>-</u>	<u>5,400</u>	Program	None	Estimated based on donor's valuation of art
	<u>\$ 80,720</u>	<u>\$132,013</u>			

The Organizations do not sell in-kind contributions.

### ***Functional Expense Allocation***

The combined financial statements report categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Salaries are allocated on the basis of time and effort. Direct program costs such as, mental health supportive services, occupancy, office expense, equipment purchases and rent expense, travel, conferences and training expenses, and program-related professional fees are allocated directly to programs. All other costs that are not charged directly to a program are allocated by percentage of overall salary allocation.

### ***Accounting for Uncertainty in Income Taxes***

The Organizations recognize the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Organizations had no uncertain tax positions that would require financial statement recognition or disclosure. The Organizations are no longer subject to examinations by the applicable taxing jurisdictions for years prior to June 30, 2022.

### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the combined financial statements through the date that the combined financial statements were available to be issued, which date is December 18, 2025.

## The Partnership To End Homelessness, Inc. and Affiliate

### Notes to Combined Financial Statements June 30, 2025 and 2024

#### 3. Investments

At June 30, 2025 and 2024, the Organizations investments consists of United States government securities totaling \$2,949,062 and \$2,191,715, which are valued based on level 1 inputs. During the years ended June 30, 2025 and 2024, there were no transfers in or out of Levels 1, 2 or 3 of the fair value hierarchy.

#### 4. Property and Equipment

Property and equipment consisted of the following at June 30:

	2025	2024
Condominium unit	\$ 890,267	\$ 890,267
Condominium improvements	366,197	366,197
Leasehold improvements	125,205	125,205
Furniture, fixtures and equipment	115,911	114,788
	<u>1,497,580</u>	<u>1,496,457</u>
Accumulated depreciation and amortization	(1,303,098)	(1,270,075)
	<u>\$ 194,482</u>	<u>\$ 226,382</u>

#### 5. Net Assets With Donor Restrictions

Changes in net assets with donor restrictions consist of the following for the years ended June 30:

Purpose / Restriction	2025			
	Beginning of Year	Additions	Net Assets Released	End of Year
Restricted by Purpose				
Save homes fund	\$ 273,913	\$ 50,000	\$ (280,163)	\$ 43,750
Senior leadership	-	518,775	-	518,775
Restricted by time	-	250,000	-	250,000
Total Net Assets With Donor Restrictions	<u>\$ 273,913</u>	<u>\$ 818,775</u>	<u>\$ (280,163)</u>	<u>\$ 812,525</u>

  

Purpose / Restriction	2024			
	Beginning of Year	Additions	Net Assets Released	End of Year
Restricted by Purpose				
Save homes fund	\$ -	\$ 275,000	\$ (1,087)	\$ 273,913
Restricted by time	250,000	-	(250,000)	-
Total Net Assets With Donor Restrictions	<u>\$ 250,000</u>	<u>\$ 275,000</u>	<u>\$ (251,087)</u>	<u>\$ 273,913</u>



## The Partnership To End Homelessness, Inc. and Affiliate

### Notes to Combined Financial Statements June 30, 2025 and 2024

#### 6. Board Designated Fund

The board designated net assets, funds to the Partnership's Save Homes campaign for the support of all expenses, operational and capital, that support the Partnership's homelessness prevention strategy and funds the fiscal year 2026-2028 strategy. Changes in the board designated fund consists of the following for the years ended June 30:

Board Designated Purpose / Restriction	2025			
	Beginning of Year	Additions	Released	End of Year
Save homes fund	\$2,210,503	\$ 20,724	\$ (25,083)	\$2,206,144
Fiscal year 2026 - 2028 strategy	-	559,890	(180,382)	379,508
	<u>\$2,210,503</u>	<u>\$ 580,614</u>	<u>\$ (205,465)</u>	<u>\$2,585,652</u>

  

Board Designated Purpose / Restriction	2024			
	Beginning of Year	Additions	Released	End of Year
Save homes fund	<u>\$2,703,691</u>	<u>\$ -</u>	<u>\$ (493,188)</u>	<u>\$2,210,503</u>

#### 7. Concentration of Credit Risk

The Partnership receives funding from various governmental sources to operate its programs. Receivables from these governmental agencies totaled \$183,769 and \$118,103 at June 30, 2025 and 2024. Collection of these receivables is expected in the normal course of business.

The percentage of receivables from governmental agencies at June 30 is as follows:

	2025	2024
Federal	23%	17%
State	77%	83%

Financial instruments that potentially subject the Organizations to concentrations of credit risk and market risk consists of principally of cash and cash equivalents, investments, and accounts receivable. The Organizations believe they are not exposed to any significant risk of loss on these funds. At June 30, 2025 and 2024, no cash or cash equivalents balances were in excess of FDIC insured limits.

In addition, contributions receivable from two donors aggregated to 90% of the contributions receivable balance at June 30, 2025. Contributions receivable at June 30, 2024 consisted of various donors.

## The Partnership To End Homelessness, Inc. and Affiliate

### Notes to Combined Financial Statements June 30, 2025 and 2024

#### 7. Concentration of Credit Risk (*continued*)

Investment holdings at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to \$500,000 (\$250,000 for cash holdings). At times balances may exceed SIPC limits. At June 30, 2025 and 2024, the Organizations' uninsured investment holdings exceeded federal insurance limits by approximately \$2,449,000 and \$1,692,000.

#### 8. Economic Dependency

The Partnership receives a substantial portion of its revenue from contracts negotiated with various governmental agencies. The Partnership is economically dependent on these revenues to provide service and continue operations.

The percentage of revenue from governmental agencies for the years ended June 30 is as follows:

	<u>2025</u>	<u>2024</u>
Federal	93%	55%
State	7%	45%

#### 9. Liquidity and Availability of Financial Resources

The following reflects the Organizations' financial assets as of June 30, reduced by amounts not available per general use within one year of that date because of contractual, board or donor-imposed restrictions. Amounts available include donor restricted amounts that are available for general expenditure in the following year:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 106,469	\$ 259,775
Investments	2,949,062	2,191,715
Due from governmental agencies	183,769	118,103
Grants receivable	<u>492,370</u>	<u>150,000</u>
Total Financial Assets	3,731,670	2,719,593
Less contractual, board or donor imposed restrictions amounts:		
Restricted by donor with time or purpose restrictions	(812,525)	(273,913)
Board designated	(1,105,891)	(730,742)
Add: time or purpose restriction expected to release over the next twelve months	<u>293,750</u>	<u>273,913</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 2,107,004</u>	<u>\$ 1,988,851</u>

The Organizations structure their financial assets to be available to meet their general expenditures and obligations as they come due. As part of its liquidity plan, the Organizations rely on reimbursements from government contracts and contributions from donors. Additionally, the board designated amount of \$1,105,891 can be used if necessary.

## The Partnership To End Homelessness, Inc. and Affiliate

### Notes to Combined Financial Statements June 30, 2025 and 2024

#### 10. Prior Period Adjustment

During the June 30, 2025, year-end management reconciled FEMA funds for a contract that covered a three-year period. Based on the reconciliation management identified costs from 2023 that were eligible to allocate to the FEMA contract. As a result of the reconciliation, a material restatement is required in the June 30, 2025, financial statements.

The restatement increases due from governmental agencies, contract and services fees from government agencies and changes within net assets by \$157,838 in 2023. Although the related program expenditures were properly recognized in 2023, the Partnership incorrectly released board-designated net assets to offset these expenditures rather than recognizing the associated due from governmental agencies and contract service fee revenue. The restatement increases due from governmental agencies by \$8,491, reduces a contract program advance payable by \$149,347, increases the without donor restrictions by \$157,838 in 2024.

The following reflects the prior period adjustment and the restated balances:

	Balance as Previously Reported as of June 30, 2024	Prior Period Adjustment	Balance Restated June 30, 2024
Due from governmental agencies	\$ 109,612	\$ 8,491	\$ 118,103
Contract program advances payable	\$ 421,387	\$ (149,347)	\$ 272,040
Without donor restrictions	\$ 2,058,527	\$ 157,838	\$ 2,216,365

  

	Balance as Previously Reported as of June 30, 2023	Prior Period Adjustment	Balance Restated June 30, 2023
Due from governmental agencies	\$ 497,132	\$ 157,838	\$ 654,970
Contract and service fees from governmental agencies	\$ 697,155	\$ 157,838	\$ 854,993
Changes within net assets	\$ 761,619	\$ (157,838)	\$ 603,781
Without donor restrictions	\$ 2,545,853	\$ 157,838	\$ 2,703,691

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