

**NEW YORK CITY GAY AND LESBIAN
ANTI-VIOLENCE PROJECT, INC.**

FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

NEW YORK CITY GAY AND LESBIAN
ANTI-VIOLENCE PROJECT, INC.

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	1-2
<u>Financial Statements</u>	
Statements of Financial Position at June 30, 2020 and 2019	3
Statements of Activities for the Years Ended June 30, 2020 and 2019	4
Statements of Functional Expenses for the Years Ended June 30, 2020 and 2019	5
Statements of Cash Flows for the Years Ended June 30, 2020 and 2019	6
Notes to Financial Statements	7-16

INDEPENDENT AUDITORS' REPORT

To The Board of Directors
New York City Gay and Lesbian Anti-Violence Project, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of New York City Gay and Lesbian Anti-Violence Project, Inc. (the "Agency"), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New York City Gay and Lesbian Anti-Violence Project, Inc. as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, New York City Gay and Lesbian Anti-Violence Project, Inc. adopted Financial Accounting Standards Board ("FASB") Accounting Standards Updates ("ASU") No. 2014-09 and No. 2018-08. Our opinion is not modified with respect to this matter.

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

White Plains, New York
January 15, 2021

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,608,168	\$ 510,933
Contributions receivable	650,096	558,000
Government grants and other receivables	1,256,165	883,860
Prepaid expenses and other assets	38,365	34,721
Property and equipment, net	105,007	117,081
Security deposits	<u>120,981</u>	<u>121,481</u>
 TOTAL ASSETS	 <u>\$ 4,778,782</u>	 <u>\$ 2,226,076</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accrued expenses and other payables	\$ 433,434	\$ 315,425
Deferred revenue	-	36,000
Deferred rent payable	191,084	179,033
Paycheck Protection Program loan payable	<u>261,704</u>	<u>-</u>
 TOTAL LIABILITIES	 <u>886,222</u>	 <u>530,458</u>
Net Assets:		
Without donor restrictions:		
Undesignated	2,265,562	641,841
Board designated	<u>500,668</u>	<u>210,586</u>
Total without donor restrictions	2,766,230	852,427
 With donor restrictions	 <u>1,126,330</u>	 <u>843,191</u>
 TOTAL NET ASSETS	 <u>3,892,560</u>	 <u>1,695,618</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 4,778,782</u>	 <u>\$ 2,226,076</u>

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

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Special events - revenue	\$ 220,196	\$ -	\$ 220,196	\$ 257,715	\$ -	\$ 257,715
Cost of direct benefits to donors	(56,301)	-	(56,301)	(59,158)	-	(59,158)
Net revenue from special events	163,895	-	163,895	198,557	-	198,557
Government grants	2,975,466	-	2,975,466	2,818,792	-	2,818,792
Contributions	2,323,600	1,237,000	3,560,600	352,833	320,000	672,833
Donated goods and services	139,085	-	139,085	183,044	-	183,044
Trainings and other revenue	88,861	-	88,861	131,211	-	131,211
Net assets released from restrictions	953,861	(953,861)	-	977,544	(977,544)	-
TOTAL SUPPORT AND REVENUE	6,644,768	283,139	6,927,907	4,661,981	(657,544)	4,004,437
EXPENSES						
Program services	3,511,203	-	3,511,203	3,372,190	-	3,372,190
Supporting services:						
Management and general	810,160	-	810,160	771,503	-	771,503
Fundraising and development	409,602	-	409,602	393,235	-	393,235
TOTAL EXPENSES	4,730,965	-	4,730,965	4,536,928	-	4,536,928
CHANGE IN NET ASSETS	1,913,803	283,139	2,196,942	125,053	(657,544)	(532,491)
NET ASSETS, BEGINNING OF YEAR	852,427	843,191	1,695,618	727,374	1,500,735	2,228,109
NET ASSETS, END OF YEAR	\$ 2,766,230	\$ 1,126,330	\$ 3,892,560	\$ 852,427	\$ 843,191	\$ 1,695,618

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

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
 STATEMENTS OF FUNCTIONAL EXPENSES
 FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020				2019			
	Program Services	Supporting Services		Total	Program Services	Supporting Services		Total
	Management and General	Fundraising and Development			Management and General	Fundraising and Development		
Salaries	\$ 2,168,583	\$ 411,897	\$ 276,431	\$ 2,856,911	\$ 1,989,642	\$ 373,647	\$ 247,325	\$ 2,610,614
Payroll taxes and employee benefits	350,053	66,488	44,621	461,162	368,052	69,118	45,751	482,921
Total salaries and related costs	2,518,636	478,385	321,052	3,318,073	2,357,694	442,765	293,076	3,093,535
Professional fees and consultants	97,787	217,670	2,956	318,413	89,483	179,141	9,463	278,087
Hotline volunteers	139,085	-	-	139,085	170,674	-	-	170,674
Occupancy	319,728	60,729	40,756	421,213	316,767	59,487	39,376	415,630
Special events	-	-	2,119	2,119	3,392	269	12,410	16,071
Program activities	185,464	-	-	185,464	142,008	-	-	142,008
Travel and transportation	84,623	5,042	5,017	94,682	114,421	6,462	6,515	127,398
Printing and design	10,883	496	6,195	17,574	3,862	4,363	3,388	11,613
Equipment rentals	22,741	9,015	2,899	34,655	24,559	6,039	3,374	33,972
Software, office and equipment maintenance	48,588	10,082	9,487	68,157	62,405	10,442	7,874	80,721
Telephone and communications	29,699	3,887	2,609	36,195	29,664	3,859	2,554	36,077
Office and program supplies	10,126	1,474	122	11,722	18,574	3,420	1,471	23,465
Postage and mailing	3,913	667	2,294	6,874	1,126	4,014	1,462	6,602
Insurance	17,923	1,926	1,293	21,142	15,002	1,863	1,233	18,098
Staff expenses and dues	6,945	5,983	3,557	16,485	8,658	7,343	1,985	17,986
Bank, credit card fees and other	-	11,886	7,326	19,212	-	39,357	7,326	46,683
Depreciation and amortization	15,062	2,861	1,920	19,843	13,901	2,611	1,728	18,240
Bad debt expense	-	57	-	57	-	68	-	68
Total Expenses	\$ 3,511,203	\$ 810,160	\$ 409,602	\$ 4,730,965	\$ 3,372,190	\$ 771,503	\$ 393,235	\$ 4,536,928

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

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 2,196,942	\$ (532,491)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	19,843	18,240
Deferred rent payable	12,051	22,835
Bad debt expense	57	68
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Contributions receivable	(92,153)	495,642
Government grants and other receivables	(372,305)	138,443
Prepaid expenses and other assets	(3,644)	1,192
Security deposits	500	-
Increase (decrease) in liabilities:		
Accrued expenses and other payables	118,009	20,403
Refundable advances	-	(56,925)
Deferred revenue	(36,000)	36,000
Net Cash Provided by Operating Activities	<u>1,843,300</u>	<u>143,407</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property and equipment acquisitions	<u>(7,769)</u>	<u>(22,006)</u>
Net Cash Used in Investing Activities	<u>(7,769)</u>	<u>(22,006)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Paycheck Protection Program loan payable	<u>261,704</u>	<u>-</u>
Net Cash Provided by Financing Activities	<u>261,704</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,097,235	121,401
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>510,933</u>	<u>389,532</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,608,168</u>	<u>\$ 510,933</u>

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

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 1 - Agency and Nature of Activities

The New York City Gay and Lesbian Anti-Violence Project, Inc. ("AVP" or the "Agency") empowers lesbian, gay, bisexual, transgender, queer ("LGBTQ") and HIV-affected communities and allies to end all forms of violence through organizing and education, and supports survivors through counseling and advocacy. AVP operates a free and confidential 24-hour bilingual hotline staffed by AVP staff and trained volunteers, provides crisis intervention, safety planning, counseling and advocacy to individual survivors of violence and engages in community outreach and education to prevent and end violence within and against LGBTQ and HIV-affected communities in New York City. AVP coordinates the NYS Domestic Violence Network which addresses LGBTQ and HIV-affected domestic violence throughout the state. AVP also trains and educates "mainstream service providers," including law enforcement agencies, in New York State about violence within and against the LGBTQ and HIV-affected communities. In 2014, AVP launched a Legal Services Program, which provides free holistic, direct legal services to underserved LGBTQ and HIV-affected survivors of intimate partner violence and sexual violence in all five boroughs. AVP also coordinates the National Coalition of Anti-Violence Programs ("NCAVP"), which is a national coalition of programs that addresses the pervasive problem of violence committed against and within the LGBTQ and HIV-affected communities throughout the United States.

AVP receives its principal support and revenue from governmental sources, private individuals, corporations and foundations.

AVP is a not-for-profit corporation exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code and is located in New York, NY.

Note 2 - Summary of Significant Accounting Policies

Changes in Accounting Principles

ASU No. 2014-09

Effective July 1, 2019, the Agency adopted the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09") using a modified retrospective method of adoption to all contracts with customers at July 1, 2019. ASU 2014-09 requires the Agency to recognize revenue to depict the provision of services to individuals with a history of severe mental illness. The amount to which the Agency expects to be entitled is calculated as the transaction price and recorded as revenue in exchange for providing the services. Because contracts are generally complete within one year, the Agency used the actual transaction price rather than estimating variable consideration amounts for contracts completed during the year ended June 30, 2020.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Changes in Accounting Principles (cont'd.)

ASU No. 2018-08

Effective July 1, 2019, the Agency adopted the provisions of FASB ASU No. 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* ("ASU 2018-08") on a modified prospective basis. This ASU provides for guidance to assist the Agency in evaluating the transfer of assets and the nature of the related transactions. The Agency considers whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. The presence of both indicates that the recipient is not entitled to the transferred assets or a future transfer of assets until it has overcome any barriers in the agreement.

Basis of Accounting

The Agency prepares its financial statements using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Use of Estimates

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

Fair Value of Financial Instruments

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. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting the Agency's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

At June 30, 2020 and 2019, the Agency does not have assets or liabilities required to be measured at fair value in accordance with FASB Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement*.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020 AND 2019

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Cash and Cash Equivalents

The Agency considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Contributions Receivable

Contributions receivable, which consist of unconditional promises to give, are recognized as revenue in the year received. 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 discounted to reflect the present value of their estimated future cash flows, unless management deems such discount to be immaterial to the financial statements.

Government Grants and Other Receivables

Government grants and other receivables are recorded when earned based on expenses that have been incurred for the purposes specified by the grantors. To the extent amounts received exceed amounts spent, the Agency establishes advances from government funders. For deliverables and fixed-price contracts, revenue is recorded when the deliverable is met or on the established time interval as described in the contract, respectively.

Contributions

Contributions are provided to the Agency either with or without donor restrictions. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<i>Conditional gifts and grants, with or without restrictions</i>	
Gifts and grants that depend on the Agency overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, <i>i.e.</i> , the donor-imposed barrier is met
<i>Unconditional gifts and grants, with or without restrictions</i>	
Received at date of gift - cash and other assets	Fair value
Received at date of gift - property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Contributions (cont'd.)

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level yield method.

When a donor stipulated time restriction ends or purpose restriction is accomplished, 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. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation and amortization. The Agency capitalizes property and equipment with a useful life of two years or more and a cost of \$1,000 or more. Depreciation and amortization are provided using the straight-line method in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives. Leasehold improvements are amortized over the shorter of their useful lives or the term of the lease.

	<u>Estimated Useful Lives</u>
Computers	5 years
Furniture and equipment	5 to 10 years
Leasehold improvements	10 years

Net Assets

Net assets without donor restrictions include funds having no restriction as to use or purpose imposed by donors. Net assets without donor restrictions - board designated represent funds designated by the board of directors for use in the event of an emergency. Net assets with donor restrictions are those whose use has been limited by donors to a specific time period or purpose, or those net assets whose principal may or may not be expended, the income from which is expendable to support general operations.

Donated Goods and Services

Donated goods and services are recorded at their estimated fair value.

Functional Expenses

The costs of providing the Agency's services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Hotline volunteers and program activities are directly charged to program services. Expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as square footage and time and effort.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020 AND 2019

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Operating Leases

Rent expense has been recorded on the straight-line basis over the life of the lease. Deferred rent has been recorded for the difference between the fixed payment and rent expense.

Uncertainty in Income Taxes

The Agency applies the provisions pertaining to uncertain tax positions, FASB ASC Topic 740, and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Agency believes it is no longer subject to income tax examinations prior to 2017.

New Accounting Pronouncements

ASU No. 2016-02

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU is the result of a joint project of the FASB and the International Accounting Standards Board (“IASB”) to increase transparency and comparability among entities by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements for U.S. GAAP and International Financial Reporting Standards (“IFRS”). The guidance in this ASU affects any entity that enters into a lease (as that term is defined in this ASU), with some specified scope exemptions. The guidance in this ASU will supersede FASB ASC Topic 840, *Leases*.

The ASU provides that lessees should recognize lease assets and lease liabilities on the balance sheet for leases previously classified as operating leases that exceed 12 months, including leases existing prior to the effective date of this ASU. It also calls for enhanced leasing arrangement disclosures.

For nonpublic entities, the amendments of ASU No. 2016-02 are effective for annual reporting periods beginning after December 15, 2021, and interim periods within annual periods beginning after December 15, 2022, based on the decision in ASU No. 2020-05 to defer the implementation dates. Early application is permitted for all entities.

The Agency has not yet determined the effect of adopting this ASU on its financial statements.

Note 3 - Contributions Receivable

Contributions receivable consisted of the following as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Less than one year	\$ 425,096	\$ 528,000
One to five years	<u>225,000</u>	<u>30,000</u>
	<u>\$ 650,096</u>	<u>\$ 558,000</u>

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 4 - Property and Equipment

Property and equipment consisted of the following at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Computers	\$ 9,903	\$ 6,937
Furniture and equipment	61,960	57,157
Leasehold improvements	<u>112,534</u>	<u>112,534</u>
	184,397	176,628
Less: Accumulated depreciation and amortization	<u>79,390</u>	<u>59,547</u>
	<u><u>\$ 105,007</u></u>	<u><u>\$ 117,081</u></u>

Note 5 - Donated Goods and Services

Donated goods and services consisted of the following for the years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Hotline volunteers	\$ 139,085	\$ 170,674
Special event expenses	<u>-</u>	<u>12,370</u>
	<u><u>\$ 139,085</u></u>	<u><u>\$ 183,044</u></u>

Note 6 - Concentration of Credit Risk

The Agency maintains cash balances in several financial institutions, which balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to \$250,000 per institution. From time to time, the Agency's balances may exceed these limits.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 7 - Commitments and Contingencies

The Agency entered into a real property lease in February 2015. The lease term began July 2015 and is scheduled to expire on August 31, 2026. Rental expense for each of the years ended June 30, 2020 and 2019 amounted to \$382,347. The Agency has also entered into various equipment lease agreements.

Future minimum annual rental commitments under noncancellable lease obligations are as follows:

<u>Years Ending June 30:</u>	<u>Office Rent</u>	<u>Equipment Rentals</u>	<u>Totals</u>
2021	\$ 381,406	\$ 23,281	\$ 404,687
2022	392,848	18,584	411,432
2023	425,384	6,221	431,605
2024	438,145	6,221	444,366
2025	451,290	4,950	456,240
Thereafter	<u>77,471</u>	<u>-</u>	<u>77,471</u>
	<u>\$ 2,166,544</u>	<u>\$ 59,257</u>	<u>\$ 2,225,801</u>

The Agency records rent expense on the straight-line basis as required under U.S. GAAP. Deferred rent payable amounted to \$191,084 and \$179,033 at June 30, 2020 and 2019, respectively.

A substantial amount of the Agency's revenues are government reimbursements. Revenue and related expenses are subject to audit verification by the funding agencies. The accompanying financial statements make no provision for possible disallowances. Although such disallowance could be substantial in amount, in the opinion of management, any actual disallowances would be immaterial.

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the generation of contributions and collections of receivables. Other financial impact could occur, though such potential impact is unknown at this time.

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2020 AND 2019

Note 8 - Long Payable - Paycheck Protection Program Loan

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was enacted to provide emergency assistance for individuals, families, and organizations affected by the coronavirus pandemic. The Paycheck Protection Program (“PPP”), created through the CARES Act, provides qualified organizations with loans of up to \$10,000,000. Under the terms of the CARES Act and the PPP, the Agency can apply for and be granted forgiveness for all or a portion of the loan issued to the extent the proceeds are used in accordance with the PPP. At this time, the Agency believes that its use of the loan proceeds will meet the conditions for forgiveness under the PPP and expects the loan to be recorded as income when it is probable that forgiveness conditions have been met.

At June 30, 2020, the Agency’s PPP loan is as follows:

On May 1, 2020, the Agency received a \$261,704 loan from a bank in regards to the PPP established by the Small Business Administration including interest at 1% per annum. The loan had an initial deferment period wherein no payments were due for six months from the date of the disbursement. However, under recently issued SBA guidance, there is an additional ten-month window during which the Agency does not have to make any repayments and can submit its application for forgiveness. As a result, payments are not required until September 2021. The loan is unsecured and matures on April 30, 2022.

\$ 261,704

Principal payments on the loan are due as follows:

Years Ending June 30:

2021	\$ -
2022	<u>261,704</u>
	<u>\$ 261,704</u>

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 9 - Donor Restricted Net Assets

Donor restricted net assets are restricted as follows as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Purpose Restrictions:		
NCAVP*	\$ 473,894	\$ 480,482
Development Consultant	7,000	-
Intimate partner violence program support	60,000	34,000
Legal fellow*	9,470	59,431
COVID-19	102,811	-
TGNC program*	150,000	134,278
DECRIM	100,840	-
Civic engagement*	30,000	90,000
EEP program	-	20,000
Time restricted	<u>192,315</u>	<u>25,000</u>
	<u>\$ 1,126,330</u>	<u>\$ 843,191</u>

*Includes \$515,000 and \$890,000 that is also subject to time restrictions as of June 30, 2020 and 2019, respectively.

Purpose restricted net assets were released from restrictions by incurring expenses satisfying the following:

	<u>2020</u>	<u>2019</u>
Purpose Restrictions:		
NCAVP	\$ 456,587	\$ 513,345
Development Consultant	-	40,721
Intimate partner violence program support	14,000	43,000
Legal fellow	89,962	40,569
COVID-19	82,189	-
TGNC program	134,278	84,909
DECRIM	74,160	-
Civic engagement	60,000	60,000
EEP program	10,000	20,000
Time restricted	<u>32,685</u>	<u>175,000</u>
	<u>\$ 953,861</u>	<u>\$ 977,544</u>

NEW YORK CITY GAY AND LESBIAN ANTI-VIOLENCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Note 10 - Available Resources and Liquidity

The Agency regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Agency has various sources of liquidity at its disposal, including cash and cash equivalents, contributions receivable, and government grants and other receivables.

The following reflects the Agency's financial assets as of June 30, 2020 and 2019, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 2,608,168	\$ 510,933
Contributions receivable	650,096	558,000
Government grants and other receivables	<u>1,256,165</u>	<u>883,860</u>
Total financial assets	4,514,429	1,952,793
Less: Net assets with donor-imposed restrictions	706,330	65,586
Less: Board designated net assets*	<u>500,668</u>	<u>210,586</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,307,431</u>	<u>\$ 1,676,621</u>

*Funds may be withdrawn, with board approval, based on short-term cash needs.

Note 11 - Subsequent Events

Management has evaluated all events or transactions that occurred after June 30, 2020 through January 15, 2021, which is the date that the financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.