

**EVICTON INTERVENTION SERVICES,**  
**HOMELESSNESS PREVENTION, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2014**

**(WITH INDEPENDENT AUDITOR'S REPORT)**

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**HOMELESSNESS PREVENTION, INC.**

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N.Y. STATE SOCIETY OF  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Eviction Intervention Services, Homelessness Prevention, Inc.

We have audited the accompanying financial statements of Eviction Intervention Services, Homelessness Prevention, Inc. (a non profit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year 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 the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 Eviction Intervention Services, Homelessness Prevention, Inc., as of June 30, 2014, 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.

October 8, 2014

*Lipsky, Goodkin & Co., P.C.*

**EVICTION INTERVENTION SERVICES, HOMELESSNESS PREVENTION, INC.**

**STATEMENT OF FINANCIAL POSITION**

**JUNE 30, 2014**

**ASSETS**

Cash	\$ 30,474
Certificate of deposit	<u>140,024</u>
Total cash and cash equivalent	170,498
Receivable	
Government contracts	9,220
Security deposit	1,500
Prepaid expenses	3,478
Equipment, net of accumulated depreciation of of \$37,480	<u>-</u>
Total assets	<u>\$ 184,696</u>

**LIABILITIES AND NET ASSETS**

Liabilities	
Accounts payable and accrued expenses	<u>\$ 6,540</u>
Total liabilities	<u>6,540</u>
Net Assets	
Unrestricted	28,156
Temporarily restricted	-
Permanently restricted	<u>150,000</u>
Total net assets	<u>178,156</u>
Total liabilities and net assets	<u>\$ 184,696</u>

See Notes to Financial Statements.

**EVICTION INTERVENTION SERVICES, HOMELESSNESS PREVENTION, INC.**

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**

**YEAR ENDED JUNE 30, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b><u>SUPPORT AND REVENUE</u></b>				
Contributions				
Individual	\$ 14,849	\$ -	\$ -	\$ 14,849
Bequests	26,243	-	-	26,243
Corporations	35,000	-	-	35,000
Foundations	20,250	-	150,000	170,250
Government contracts	37,660	-	-	37,660
Rent assistance programs				
Interest and investment income	11	-	24	35
Other income	8,325	-	-	8,325
Net assets released from restrictions	<u>24</u>	<u>-</u>	<u>(24)</u>	<u>-</u>
Total support and revenue	<u>142,362</u>	<u>-</u>	<u>150,000</u>	<u>292,362</u>
<b><u>EXPENSES</u></b>				
Program services	137,655	-	-	137,655
Support services	<u>15,829</u>	<u>-</u>	<u>-</u>	<u>15,829</u>
Total expenses	<u>153,484</u>	<u>-</u>	<u>-</u>	<u>153,484</u>
Increase (decrease) in net assets	(11,122)	-	150,000	138,878
Net assets - beginning of year	<u>39,278</u>	<u>-</u>	<u>-</u>	<u>39,278</u>
Net assets - end of year	<u>\$ 28,156</u>	<u>\$ -</u>	<u>\$150,000</u>	<u>\$ 178,156</u>

See Notes to Financial Statements.

**EVICTION INTERVENTION SERVICES, HOMELESSNESS PREVENTION, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED JUNE 30, 2014**

	<u>Program Services</u>	<u>Support Services</u>	<u>Total</u>
Salaries	\$ 69,712	\$ 8,904	\$ 78,616
Employee benefits	24,803	3,174	27,977
Temporary help	4,675	2,518	7,193
Accounting fees	3,532	2,468	6,000
Rent	16,117	423	16,540
Communication			
Postage	-	-	-
Supplies and equipment	9,099	1,466	10,565
Fees, dues and subscriptions	140	1,631	1,771
Printing and publications	-	-	-
Travel	-	-	-
Insurance	2,425	583	3,008
Meetings and seminars	-	-	-
Moving expense	-	1,000	1,000
Administrative overhead	7,152	(7,152)	-
Rent assistance payments	-	-	-
Clients' stipends	-	-	-
Bank charges	-	266	266
Depreciation	-	548	548
Total	<u>\$ 137,655</u>	<u>\$ 15,829</u>	<u>\$ 153,484</u>

See Notes to Financial Statements.



**EVICTION INTERVENTION SERVICES, HOMELESSNESS PREVENTION, INC.**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED JUNE 30, 2014**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Increase in net assets	\$ <u>138,878</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	548
(Increase) decrease in:	
Security deposit	2,866
Prepaid expenses	(3,478)
Increase (decrease) in:	
Accounts payable and accrued expenses	1,454
Deferred revenues	<u>(8,078)</u>
Total adjustments	<u>(6,688)</u>
Net cash provided by operating activities	<u>132,190</u>
<b><u>NET INCREASE IN CASH</u></b>	132,190
<b><u>CASH - BEGINNING OF YEAR</u></b>	<u>38,308</u>
<b><u>CASH - END OF YEAR</u></b>	<u>\$ 170,498</u>

See Notes to Financial Statements.

**EVICTION INTERVENTION SERVICES, HOMELESSNESS PREVENTION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2014**

**Note 1 Organization**

Eviction Intervention Services, Homelessness Prevention, Inc. (the "Organization") was incorporated under the not-for-profit law of the State of New York. The mission is to prevent homelessness. It is accomplished by keeping residents in their communities, preserving existing affordable housing, and promoting and supporting the construction of affordable housing for low income families.

**Note 2 Summary of Significant Accounting Principles**

Accrual basis- The financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States as applicable to not-for-profit entities.

Contributions - Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Gifts of cash and other are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designed as support for future periods when a donor restriction is accomplished. Temporarily restricted net assets are reclassified to unrestricted net assets in the accounting period in which the restriction is complied with and reported in the statement of activity as net assets released from restrictions.

Gifts of goods and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted contributions. In the absence of explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed into service.

Classification of net assets - Unrestricted: these are assets from unrestricted contributions and from other resources not subject to donor-imposed restrictions. Temporarily restricted: these are assets whose donor-imposed restrictions have not been met due to actions of the Organization and/or the passage of time.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingencies. Actual results may differ from those estimates.

Cash and cash equivalents - The Organization considers all liquid investments with maturities, when purchased, of three months or less to be cash equivalent.

**EVICTION INTERVENTION SERVICES, HOMELESSNESS PREVENTION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2014**

**Note 2 Summary of Significant Accounting Principles**

Government contracts receivable - They are reported at their outstanding unpaid principal balances. The organization writes off the balance when it is determined to be uncollectible.

Fixed assets - Furniture, fixtures and equipment are stated at cost and depreciated over the estimated useful lives of the assets using the straight line method.

Income taxes - The Organization is exempt from federal taxes under section 501 (c)(3) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws. The organization is required to file and does file tax returns with the Internal Revenue Service and other taxing authorities and has years open for examination by the taxing authorities from 2010 through 2013.

Functional allocations of expenses - The cost of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefitted.

Subsequent Events - The Organization has evaluated subsequent events through October 8, 2014, which is the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**EVICTION INTERVENTION SERVICES, HOMELESSNESS PREVENTION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2014**

**Note 3 Government contracts**

The revenue from government contracts are as follows:

	<u>June 30, 2014</u>
New York City Department for the Aging	\$ 10,000
New York City Department of Youth and Community Development	<u>27,660</u>
	<u>\$ 37,660</u>

**Note 4 Permanently Restricted Net Assets**

Permanently restricted net assets are to provide a permanent endowment. In March 2014, the Organization received a \$150,000 contribution from a foundation whereby the principal is to be invested in perpetuity and the income earned annually is to be released to unrestricted net assets for operational use. The donor reserves the right to reassign the endowment principal to any qualified charitable institution every five years.

**Note 5 Commitments**

The Organization subleases office space in New York, NY on month to month basis at a monthly rent of \$1,500.

**EVICTON INTERVENTION SERVICES, HOMELESSNESS PREVENTION, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2014**

**Note 5 Functional Expenses**

	Program Services				Support Services			Total Program and Support Services
	Family Services	Senior Services	Single Adult Services	Total Program Services	Administration	Fund-Raising	Total Support Services	
Salaries	\$ 64,565	\$ 4,600	\$ 547	\$ 69,712	\$ 8,904	\$ -	\$ 8,904	\$ 78,616
Employee benefits	22,973	1,636	194	24,803	3,174	-	3,174	27,977
Subtotal	<u>87,538</u>	<u>6,236</u>	<u>741</u>	<u>94,515</u>	<u>12,078</u>	<u>-</u>	<u>12,078</u>	<u>106,593</u>
Temporary help	4,675	-	-	4,675	2,518	-	2,518	7,193
Accounting fees	3,132	400	-	3,532	2,468	-	2,468	6,000
Rent	14,086	2,031	-	16,117	423	-	423	16,540
Telephone / Communication	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-
Supplies and equipment	9,099	-	-	9,099	1,466	-	1,466	10,565
Fees, dues and subscriptions	140	-	-	140	1,631	-	1,631	1,771
Printing and publications	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-
Insurance	2,425	-	-	2,425	583	-	583	3,008
Meetings and seminars	-	-	-	-	-	-	-	-
Moving expense	-	-	-	-	1,000	-	1,000	1,000
Administrative overhead	7,152	-	-	7,152	(7,152)	-	(7,152)	-
Rent assistance payments	-	-	-	-	-	-	-	-
Clients' stipends	-	-	-	-	-	-	-	-
Bank charges	-	-	-	-	266	-	266	266
Depreciation	-	-	-	-	548	-	548	548
Subtotal	<u>40,709</u>	<u>2,431</u>	<u>-</u>	<u>43,140</u>	<u>3,751</u>	<u>-</u>	<u>3,751</u>	<u>46,891</u>
Total expenses	<u>\$ 128,247</u>	<u>\$ 8,667</u>	<u>\$ 741</u>	<u>\$ 137,655</u>	<u>\$ 15,829</u>	<u>\$ -</u>	<u>\$ 15,829</u>	<u>\$ 153,484</u>