CARING FOR THE HOMELESS OF PEEKSKILL, INC.
d.b.a. CARING FOR THE HUNGRY AND HOMELESS OF PEEKSKILL
FINANCIAL STATEMENTS AND AUDITORS’ REPORT
DECEMBER 31, 2019
INDEPENDENT AUDITOR’S REPORT

To the Board of Directors of
Caring for the Homeless of Peekskill, Inc.
d.b.a. Caring for the Hungry and Homeless of Peekskill

Report on the Financial Statements

I have audited the accompanying statement of financial position of Caring for the Homeless of Peekskill, Inc. d.b.a. Caring for the Hungry and Homeless of Peekskill (a nonprofit organization) as of December 31, 2019 and the related statements of activities, cash flows, and functional expenses 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 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.

Auditor’s Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Caring for the Homeless of Peekskill, Inc. d.b.a. Caring for the Hungry and Homeless of Peekskill as of December 31, 2019 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Thomas Luisi CPA
November 6, 2020
CARING FOR THE HOMELESS OF PEEKSKILL, INC.
d.b.a. CARING FOR THE HUNGRY AND HOMELESS OF PEEKSKILL
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

Cash and cash equivalents $ 168,548
Due from Department of Social Services 262,051
Due from Veterans Administration 16,167
Due from HUD 129,562
Due from EHAP 7,709
Other receivables 2,500
Security deposits 13,437
Property and equipment, net 50,423

Total Assets $ 650,397

LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses $ 20,925

Total Liabilities 20,925

NET ASSETS

Without donor restrictions 629,472

Total Net Assets 629,472

Total Liabilities and Net Assets $ 650,397

The accompanying notes are an integral part of these financial statements
CARING FOR THE HOMELESS OF PEEKSKILL, INC.
d.b.a. CARING FOR THE HUNGRY AND HOMELESS OF PEEKSKILL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

<table>
<thead>
<tr>
<th>Revenues and Support</th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Westchester County Department of Social Services</td>
<td>$ 796,456</td>
<td>$ -</td>
<td>796,456</td>
</tr>
<tr>
<td>HCHV Program Contract</td>
<td>243,963</td>
<td>-</td>
<td>243,963</td>
</tr>
<tr>
<td>HUD Turning Point Program</td>
<td>252,228</td>
<td>-</td>
<td>252,228</td>
</tr>
<tr>
<td>New Start Program</td>
<td>113,710</td>
<td>-</td>
<td>113,710</td>
</tr>
<tr>
<td>RISE Program</td>
<td>51,676</td>
<td>-</td>
<td>51,676</td>
</tr>
<tr>
<td>Contributions and other support</td>
<td>145,018</td>
<td>-</td>
<td>145,018</td>
</tr>
<tr>
<td>Loan forgiveness</td>
<td>25,000</td>
<td>-</td>
<td>25,000</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>12,500</td>
<td>(12,500)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues and Support</strong></td>
<td><strong>1,640,551</strong></td>
<td><strong>(12,500)</strong></td>
<td><strong>1,628,051</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
</tr>
<tr>
<td>General and administrative</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change in Net Assets</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(192,054)</td>
<td>(12,500)</td>
<td>(204,554)</td>
</tr>
</tbody>
</table>

| Net Assets - Beginning of Year | 821,526 | 12,500 | 834,026 |
| Net Assets - End of Year | $ 629,472 | $ - | $ 629,472 |

The accompanying notes are an integral part of these financial statements.
CARING FOR THE HOMELESS OF PEEKSKILL, INC.
d.b.a. CARING FOR THE HUNGRY AND HOMELESS OF PEEKSKILL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

Cash Flows From Operating Activities

Change in net assets $ (204,554)
Adjustments to reconcile changes in net assets to net cash provided by operating activities

Depreciation 11,327

Change in operating assets and liabilities -

Due from Department of Social Services (11,990)
Due from Veterans Administration 6,459
Due from HUD (36,586)
Due from EHAP (7,709)
Other receivables (2,500)
Security deposits (10,303)
Accounts payable and accrued expenses 8,486

Net Cash Provided By Operating Activities (247,370)

Cash Flows From Investing Activities

Purchase of fixed assets (24,936)

Decrease in loan payable (25,000)

Decrease in Cash and Cash Equivalents (297,306)

Cash and Cash Equivalents -
Beginning of Year 465,854

Cash and Cash Equivalents -
End of Year $ 168,548

The accompanying notes are an integral part of these financial statements
**CARING FOR THE HOMELESS OF PEEKSKILL, INC.**  
d.b.a. CARING FOR THE HUNGRY AND HOMELESS OF PEEKSKILL  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019

<table>
<thead>
<tr>
<th></th>
<th>Jan Peek</th>
<th>HCHV Program</th>
<th>Turning Point</th>
<th>New Start</th>
<th>RISE</th>
<th>Fred's Pantry</th>
<th>Program Services</th>
<th>General and administrative</th>
<th>TOTAL EXPENSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$473,044</td>
<td>$206,547</td>
<td>$64,544</td>
<td>$41,171</td>
<td>$13,327</td>
<td>$12,430</td>
<td>$811,063</td>
<td>$29,597</td>
<td>$840,660</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>41,712</td>
<td>18,346</td>
<td>5,824</td>
<td>4,052</td>
<td>724</td>
<td>993</td>
<td>71,651</td>
<td>2,406</td>
<td>174,057</td>
</tr>
<tr>
<td>Health insurance</td>
<td>24,491</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>24,491</td>
<td>1,585</td>
<td>26,076</td>
</tr>
<tr>
<td>Food</td>
<td>34,651</td>
<td>4,197</td>
<td>3,544</td>
<td>-</td>
<td>457</td>
<td>37,878</td>
<td>80,727</td>
<td>-</td>
<td>80,727</td>
</tr>
<tr>
<td>Insurance</td>
<td>32,493</td>
<td>5,135</td>
<td>646</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>38,274</td>
<td>2,203</td>
<td>40,477</td>
</tr>
<tr>
<td>Office expense</td>
<td>15,993</td>
<td>2,989</td>
<td>85</td>
<td>864</td>
<td>240</td>
<td>54</td>
<td>20,225</td>
<td>11,690</td>
<td>31,915</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>21,068</td>
<td>3,082</td>
<td>3,631</td>
<td>1,290</td>
<td>-</td>
<td>-</td>
<td>29,071</td>
<td>4,709</td>
<td>33,780</td>
</tr>
<tr>
<td>Utilities</td>
<td>21,333</td>
<td>8,223</td>
<td>11,700</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>41,256</td>
<td>7,569</td>
<td>48,825</td>
</tr>
<tr>
<td>Rent and property taxes</td>
<td>49,420</td>
<td>31,485</td>
<td>5,136</td>
<td>-</td>
<td>-</td>
<td>6,000</td>
<td>92,041</td>
<td>27,825</td>
<td>119,866</td>
</tr>
<tr>
<td>Individual's rent</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>192,544</td>
<td>55,221</td>
<td>20,966</td>
<td>-</td>
<td>268,721</td>
</tr>
<tr>
<td>Client expenses</td>
<td>27,213</td>
<td>1,860</td>
<td>10,530</td>
<td>11</td>
<td>940</td>
<td>-</td>
<td>40,554</td>
<td>-</td>
<td>40,554</td>
</tr>
<tr>
<td>Professional fees</td>
<td>19,175</td>
<td>7,840</td>
<td>7,476</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15,384</td>
<td>70,923</td>
<td>86,307</td>
</tr>
<tr>
<td>Planning and grant consultants</td>
<td>3,891</td>
<td>1,588</td>
<td>292</td>
<td>264</td>
<td>-</td>
<td>-</td>
<td>6,035</td>
<td>6,035</td>
<td>12,071</td>
</tr>
<tr>
<td>Bus, van and staff travel</td>
<td>8,997</td>
<td>3,035</td>
<td>1,263</td>
<td>1,798</td>
<td>418</td>
<td>48</td>
<td>15,449</td>
<td>-</td>
<td>15,449</td>
</tr>
<tr>
<td>Payroll services</td>
<td>6,086</td>
<td>2,529</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,615</td>
<td>468</td>
<td>9,083</td>
</tr>
<tr>
<td>Other expenses</td>
<td>24,268</td>
<td>699</td>
<td>130</td>
<td>342</td>
<td>12</td>
<td>63</td>
<td>25,514</td>
<td>45,696</td>
<td>71,210</td>
</tr>
<tr>
<td>Depreciation</td>
<td>4,610</td>
<td>6,717</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,327</td>
<td>-</td>
<td>11,327</td>
</tr>
</tbody>
</table>

**Total Expenses**  
$808,345 $304,272 $309,660 $105,013 $37,074 $57,534 $1,621,898 $210,707 $1,832,605

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

Caring for the Homeless of Peekskill, Inc. d.b.a. Caring for the Hungry and Homeless of Peekskill ("CHHOP" or the "organization") is a tax-exempt, not-for-profit organization, which was incorporated September 17, 1987. Its mission is to alleviate hunger and homelessness in Peekskill and the surrounding area by providing housing and support services for homeless men and women and a food pantry program for those who are hungry.

Programs:

The Jan Peek House shelter, for single adult men and women, is the only 24/7 shelter for people who are experiencing homelessness in Northern Westchester. The organization provides case management services to assist clients with independent living.

CHHOP's Healthcare for Homeless Veterans ("HCHV") program provides shelter and support services to those who have served. Working closely with the VA, the organization provides supportive case management services and linkage to VA medical and support services.

Fred's Pantry serves the community healthy, nutritious food. In 2019, Fred's Pantry distributed over 180,000 meals to 20,068 individuals. Seniors represented 17%, children represented 31% of the total served.

The Turning Point program provides long-term housing and supportive housing to chronically homeless individuals with a disability. Clients live in their own apartment and receive supportive case management services.

New Start, a Rapid Rehousing program with housing and support services to assist homeless veterans and domestic violence survivors attain self-sufficiency. The New Start contract was terminated on August 31, 2019 and was not renewed.

RISE is a collaborative program that provides housing assistance, case management, employment services and domestic violence support services to homeless families surviving domestic violence.
SUMMARY OF ACCOUNTING POLICIES

Basis of Presentation

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. They include the accounts of the Organization and its divisions. All significant interdivisional transactions and accounts have been eliminated.

Net Asset classification

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; they stipulate the resources be maintained permanently, but permit the Organization to use all or part of the income earned on these assets for either specified or unspecified purposes.

When a donor's restriction is satisfied, either by using the resources in a manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment are reported as net assets with donor restrictions until the specified asset is placed in service by the organization, unless the donor provides more specific directions about the period of use.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and net losses are reported as decreases in net assets without donor restrictions.
Support

The organization recognizes support revenues as services are rendered, and costs as incurred. Funding is provided by contributions and by fees received from the Department of Social Services of the County of Westchester, the Veterans Administration and Westchester County for the HUD supported Turning Point Program.

Tax-exempt Status

The Organization is a non-profit organization that is generally exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, although it is taxed on any business income that is not substantially related to the Organization’s exempt purpose. The Organization did not have any unrelated business income for the year ended December 31, 2019.

Federal tax law requires that the Organization be operated in a manner consistent with its initial exemption application in order to maintain exempt status. Management has analyzed its operations and concluded that they remain in compliance with the requirements for exemption.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) for any uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service.

The Organization’s management has analyzed its tax positions, and has concluded that as of December 31, 2019, there are no uncertain tax positions taken or expected to be taken that would require recognition or disclosure in the financial statements.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. The organization’s management believes that the estimates and assumptions are reasonable in the circumstances; however the actual results could differ from those estimates.
CARING FOR THE HOMELEES OF PEEKSKILL, INC.
d.b.a. CARING FOR THE HUNGRY AND HOMELESS OF PEEKSKILL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Concentration of Credit Risk

The Organization maintains its cash balances with a major financial institution. These deposits at times may exceed the Federal Deposit Insurance Corporation (FDIC) insurance limit, however, no losses have ever been experienced by the Organization on its cash and cash equivalents.

Accounts Receivable

Accounts receivable are primarily unsecured non-interest-bearing amounts due from grantors on cost reimbursement or performance grants. Management believes that all outstanding accounts receivable are collectible in full, therefore no allowance for uncollectible receivables has been provided.

Accounting for Pledges and Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

Property and equipment

Property and equipment are recorded at their original costs or, if contributed, at their appraised values at the dates of contribution. Depreciation of property and equipment is provided using the straight-line method over an estimated useful life of 5 years.
CARING FOR THE HOMELEES OF PEEKSKILL, INC.
d.b.a. CARING FOR THE HUNGRY AND HOMELESS OF PEEKSKILL
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Subsequent Events

For the year ended December 31, 2019, the Organization has evaluated subsequent events for potential recognition or disclosure through November 6, 2020, the date the financial statements were available for issuance.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus disease (COVID-19) as a pandemic disrupting businesses across the country. While the disruption is currently expected to be temporary, there is uncertainty around the duration. The Organization expects these changes to have a negative impact on its operating results in 2020. However, the exact financial impact and duration cannot be reasonably estimated at this time.

Expense Allocation

The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities and in the schedule of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

Contingencies

Jan Peek House Shelter files a separate annual report with the Westchester County Department of Social Services (DSS) based on a year-end of January 31st. DSS independently verifies the report prepared by the organization.

Operating Lease Commitments

The organization has a lease that will run through December 2020.

Future minimum payments for the year ended December 31, 2020 are $114,120 plus taxes.

In 2019 rent expense, including real estate taxes and other charges totaled $119,866.
Property and Equipment

As of December 31, 2019 property and equipment consists of:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Van</td>
<td>$ 27,656</td>
</tr>
<tr>
<td>Security system</td>
<td>28,015</td>
</tr>
<tr>
<td>Equipment</td>
<td>7,083</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>24,936</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(37,267)</td>
</tr>
</tbody>
</table>

Property and equipment, net $ 50,423

Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2019 are:

Financial assets:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 168,548</td>
</tr>
<tr>
<td>Due from Department of Social Services</td>
<td>262,051</td>
</tr>
<tr>
<td>Due from Veterans Administration</td>
<td>16,676</td>
</tr>
<tr>
<td>Due from HUD</td>
<td>129,562</td>
</tr>
<tr>
<td>Due from EHAP</td>
<td>7,709</td>
</tr>
<tr>
<td>Other receivables</td>
<td>3,500</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td><strong>587,537</strong></td>
</tr>
</tbody>
</table>

Amount available for general expenditures within one year $ 587,537

As part of the organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Net Assets Released From Restrictions

During the year ended December 31, 2019 $ 12,500 in net assets with donor imposed program purpose restrictions or time restrictions were released.