

**NEW ALTERNATIVES
FOR LBGT HOMELESS YOUTH**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

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FOR LBGT HOMELESS YOUTH**

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Ketcham & Associates, LLC
Certified Public Accounting
202 Mountain Ave.
P.O. Box 2610
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Independent Accountant's Review Report

Board of Directors of
New Alternatives for LGBT Homeless Youth
New York, NY

We have reviewed the accompanying statement of financial position of New Alternatives for LGBT Homeless Youth (a nonprofit organization) as of December 31, 2020 and 2019, and the related statements of activities and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Ketcham & Associates, LLC

June 25, 2021

**NEW ALTERNATIVES
FOR LBGT HOMELESS YOUTH**

STATEMENT OF FINANCIAL POSITION

**FOR THE YEAR ENDED
DECEMBER 31, 2020
with comparative results for 2019**

ASSETS

	<u>2020</u>	<u>2019</u>
<u>Current Assets</u>		
Cash and cash equivalents	578,571	474,851
Total Current Assets	578,571	474,851
 <u>Equipment</u>		
Cost	7,301	7,301
Accumulated depreciation	(7,301)	(7,301)
Total Equipment	-	-
Total Assets	578,571	474,851

LIABILITIES AND NET ASSETS

<u>Current Liabilities</u>		
Accounts payable	4,250	4,000
Total Current Liabilities	4,250	4,000
Total Liabilities	4,250	4,000
 <u>Net Assets</u>		
Without donor restrictions	574,321	470,851
With donor restrictions	-	-
Total Net Assets	574,321	470,851
Total Liabilities and Net Assets	578,571	474,851

**NEW ALTERNATIVES
FOR LBGT HOMELESS YOUTH**

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

**FOR THE YEAR ENDED
DECEMBER 31, 2020
with comparative results for 2019**

	<u>Without</u> <u>Donor Restrictions</u>	<u>Purpose</u> <u>Restricted</u>	<u>2020</u>	<u>2019</u>
Public Support and Revenues				
Public Support:				
Contributions	429,518	-	429,518	386,555
Total Public Support	<u>429,518</u>	<u>-</u>	<u>429,518</u>	<u>386,555</u>
Revenues:				
Interest income	2,477	-	2,477	3,820
Program income	36,352	-	36,352	32,669
Less Direct expenses	(10,160)	-	(10,160)	(9,907)
Total Revenues	<u>28,669</u>	<u>-</u>	<u>28,669</u>	<u>26,582</u>
Net assets release from restrictions	<u>-</u>		<u>-</u>	<u>-</u>
Total Public Support and Revenues	<u>458,188</u>	<u>-</u>	<u>458,188</u>	<u>413,137</u>
Expenses				
Program services	258,364	-	258,364	170,405
Management and general	69,954	-	69,954	56,005
Fundraising	26,400	-	26,400	20,876
Total Expenses	<u>354,718</u>	<u>-</u>	<u>354,718</u>	<u>247,286</u>
Change in Net Assets	103,470	-	103,470	165,850
Net Assets, Beginning of year	<u>470,851</u>	<u>-</u>	<u>470,851</u>	<u>305,001</u>
Net Assets, End of year	<u><u>574,321</u></u>	<u><u>-</u></u>	<u><u>574,321</u></u>	<u><u>470,851</u></u>

**NEW ALTERNATIVES
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STATEMENT OF CHANGES IN CASH

**FOR THE YEAR ENDED
DECEMBER 31, 2020
with comparative results for 2019**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	103,470	165,850
Adjustments to reconcile change in net assets from operations to net cash provided (used) by operating activities:		
Depreciation	-	-
Increase (decrease) in accounts payable	250	-
Net cash provided (used) by operating activities	103,720	165,850
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	-	-
Net cash provided (used) by financing activities	-	-
NET CHANGE IN CASH	103,720	165,850
CASH, BEGINNING OF YEAR	474,851	309,001
CASH, END OF YEAR	578,571	474,851
 Supplementary information:		
Interest	-	-
income taxes	-	-

**NEW ALTERNATIVES
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STATEMENT OF FUNCTIONAL EXPENSES

**FOR THE YEAR ENDED
DECEMBER 31, 2020
with comparative results for 2019**

	<u>Programs</u>	<u>Management & general</u>	<u>Fundraising</u>	<u>2020</u>	<u>2019</u>
Payroll	125,315	39,022	19,511	183,848	91,018
Payroll taxes	9,578	2,736	1,368	13,682	8,136
Payroll processing fees	-	2,265	-	2,265	2,198
Bank charges	-	222	-	222	43
Client needs	57,571	-	-	57,571	16,943
Commissions and fees	10,327	-	-	10,327	7,673
Depreciation	-	-	-	-	-
Employee benefits	14,678	3,669	-	18,347	15,896
Insurance	-	5,614	-	5,614	5,695
Occupancy	22,275	1,364	682	24,321	21,902
Office supplies	-	4,316	-	4,316	4,791
Professional fees	-	4,250	-	4,250	4,000
Promotional and advertising	-	-	4,839	4,839	4,665
Security	11,262	-	-	11,262	41,054
Supplies	1,205	-	-	1,205	19,417
Taxes, dues, licenses and fees	1,152	2,196	-	3,348	1,196
Telephone	-	4,298	-	4,298	2,481
Travel	5,002	-	-	5,002	178
	<u>258,364</u>	<u>69,954</u>	<u>26,400</u>	<u>354,718</u>	<u>247,286</u>

**NEW ALTERNATIVES
FOR LBGT HOMELESS YOUTH**

NOTES TO FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2020
with comparative results for 2019**

Note 1 - Nature of Activities

New Alternatives for LBGT Homeless Youth, Inc. (the Organization) is a non-profit organization devoted to increasing the self-sufficiency of homeless LBGT youth to enable them to “go beyond” the shelter system and transition into stable adult lives. This is achieved by providing services such as case management, education services, life skills training, community-building recreational activities, opportunities for self-expression, and support services for HIV+ youth. The Organization’s guiding principles are those of harm reduction, youth development, and empowerment.

Note 2 - Summary of Significant Accounting Policies

a. Method of Accounting - The financial statements of the Organization has been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. The Organization follows the provisions of Accounting Standards Codification (ASC) 958, Not-for-Profit Entities. Accordingly, the Organization reflects all significant receivables, other assets, payables, and other liabilities, and recognizes revenue when earned and expenses when incurred.

b. Financial Statement Presentation - The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted or permanently restricted. Contributions received are recorded as unrestricted or temporarily restricted support depending on the existence and nature of any donor restrictions. For the year ended December 31, 2020 and 2019 there were net assets with donor restrictions of zero.

c. Cash and Cash Equivalents - The Organization defines cash and cash equivalents as short-term, highly liquid investments with maturities of three months or less.

d. Equipment - Equipment is stated at cost less allowance for depreciation. Provisions for depreciation commence in the year following purchase, are based upon the useful lives of the assets, and are calculated using the straight-line method of depreciation. Maintenance and repairs are charged to income, and renewals and betterments exceeding \$500 are capitalized. On normal retirement or replacement the cost is removed from the asset accounts and the related depreciation reserve is adjusted, with the difference being charged to income.

e. Contributions - All contributions are considered available for unrestricted use unless specifically restricted by the donor, and are reflected in the accompanying financial statements at their estimated market value at the date of receipt. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions that increases this net asset class. When a donor restriction expires, the restricted net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

f. Revenue recognition –The Organization bills membership dues and recognizes revenue when service is provided. Any membership dues that are paid in full are recognized and deferred over the period of membership term. All other program fees are recognized and deferred in the period the service takes place.

g. Bad debts – The Organization uses the direct write-off method of accounting for bad debt. No allowance for uncollectible accounts has been provided since it is believed that such an allowance would not be material.

h. Income Taxes - The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and is not a "private foundation" within the meaning of Section 590(a). All applicable tax returns and payment of taxes (including, but not limited to payroll taxes) have been filed.

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

j. In-Kind Support – The Organization records the value of donated goods or specialized services based upon the fair market value at the date of donation. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received.

Additionally, the Organization receives a significant amount of contributed time, which does not meet the recognition criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements.

k. Functional Allocation of Expense - The cost of providing the Organization's various programs and other activities has been summarized on a functional basis in the statement of activities. Expenses charged to each program are based on direct expenditures incurred. Any program expenditures not chargeable and support costs (management and general) are allocated to a program based on personnel time allocations. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Note 3 – Income Taxes

Generally accepted accounting principles prescribe how an organization should measure, recognize, present and disclose in its financial statements tax positions that the organization has taken on its information returns. The Organization regularly reviews its tax positions taken and as reflected in its financial statements, with regard to issues affecting tax matters. The Organization has concluded that no tax benefits or liabilities are required to be recognized in accordance with generally accepted accounting principles.

The Organization's tax and information returns are generally subject to examination by taxing authorities for three years, including 2018, 2019, and 2020.

Note 4 - Subsequent Events

The Organization has evaluated subsequent events for potential recognition and/or disclosure in the December 31, 2019 financial statements through June 25, 2021, the date that the financial statements were available to be issued.