Women In Need, Inc.

Independent Auditor's Report and Consolidated Financial Statements

June 30, 2023 and 2022

Breaking the Cycle of Homelessness
for Women and their Children

Women In Need, Inc.

June 30, 2023 and 2022

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Independent Auditor's Report

Board of Directors
Women In Need, Inc.
New York, New York

Opinion

We have audited the consolidated financial statements of Women In Need, Inc., which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Women In Need, Inc. as of June 30, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are required to be independent of Women In Need, Inc. 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.

Emphasis of Matter

As described in Note 6 to the consolidated financial statements, in 2023, Women In Need, Inc. adopted new accounting guidance for accounting for leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Women In Need, Inc.'s 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Women In Need, Inc.'s 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.

FORVIS, LLP

New York, New York
January 30, 2024

Breaking the Cycle of Homelessness for Women and their Children

Women In Need, Inc.

Consolidated Statements of Financial Position

June 30, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	$ 11,559,200	$ 13,909,749
Contributions receivable - due within one year	2,725,749	1,753,635
Due from government agencies - net	26,767,202	24,498,735
Due from related parties - net	2,076,053	1,957,542
Other assets	862,277	777,350
Total current assets	43,990,481	42,897,011
Restricted cash - assets limited as to use	57,886,147	-
Contributions receivable	500,000	-
Other assets	129,349	120,438
Security deposits	393,813	294,142
Loans receivable	590,000	590,000
Right-of-use assets - operating	381,079,330	-
Property and equipment - net	19,029,819	6,873,037
Total assets	$ 503,598,939	$ 50,774,628
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$ 11,452,038	$ 10,587,201
Accrued salaries and vacation payable	2,787,637	4,842,862
Current portion of operating lease liabilities	46,093,716	-
Current portion of loans payable	1,635,620	1,134,426
Current portion of mortgage notes payable	9,034	8,424
Total current liabilities	61,978,045	16,572,913
Other Liabilities		
Deferred rent payable	-	1,189,098
Lease liability - operating	337,898,403	-
Loans payable	3,830,702	5,031,127
Mortgage notes payable	69,039,213	233,193
Total liabilities	472,746,363	23,026,331
Net Assets		
Without donor restrictions	26,951,572	26,231,700
With donor restrictions		
Purpose and time restricted	3,751,004	1,366,597
Perpetual in nature	150,000	150,000
Total with donor restrictions	3,901,004	1,516,597
Total net assets	30,852,576	27,748,297
Total liabilities and net assets	$ 503,598,939	$ 50,774,628

Breaking the Cycle of Homelessness
for Women and their Children

Women In Need, Inc.

Consolidated Statements of Activities

Years Ended June 30, 2023 and 2022

	2023				2022			
	Without Donor Restrictions	With Donor Restrictions: Purpose and Time	With Donor Restrictions: Perpetual in Nature	Total	Without Donor Restrictions	With Donor Restrictions: Purpose and Time	With Donor Restrictions: Perpetual in Nature	Total
Revenues and Other Support								
Contributions								
General public	$ 5,409,953	$ 1,598,754	$ -	$ 7,008,707	$ 4,848,303	$ -	$ -	$ 4,848,303
Foundations - operating support	1,527,558	4,505,000	-	6,032,558	1,413,152	3,166,822	-	4,579,974
Donated services and goods	971,392	-	-	971,392	905,964	-	-	905,964
Special events revenue	3,368,121	-	-	3,368,121	3,112,229	-	-	3,112,229
Government fees and grants								
City of New York	123,062,535	-	-	123,062,535	115,679,113	-	-	115,679,113
Federal government	4,559,250	-	-	4,559,250	4,487,554	-	-	4,487,554
State of New York	3,058,041	-	-	3,058,041	2,163,859	-	-	2,163,859
Program services	342,735	-	-	342,735	320,414	-	-	320,414
Supportive housing client rent	514,489	-	-	514,489	513,163	-	-	513,163
Developer fee income	867,591	-	-	867,591	-	-	-	-
Miscellaneous	1,228,933	-	-	1,228,933	732,758	-	-	732,758
Net assets released from restrictions	3,719,347	(3,719,347)	-	-	4,473,956	(4,473,956)	-	-
Total revenues and other support	148,629,945	2,384,407	-	151,014,352	138,650,465	(1,307,134)	-	137,343,331
Operating Expenses								
Program services								
Family shelters	114,162,013	-	-	114,162,013	105,949,169	-	-	105,949,169
Family supportive housing	12,327,394	-	-	12,327,394	10,844,087	-	-	10,844,087
Communications and other program services	5,638,665	-	-	5,638,665	4,613,117	-	-	4,613,117
Total program services	132,128,072	-	-	132,128,072	121,406,373	-	-	121,406,373
Supporting services								
Management and general (includes expenses reimbursed by governmental grants of $6,598,681 and $6,621,607 in 2023 and 2022, respectively)	13,040,353	-	-	13,040,353	8,475,266	-	-	8,475,266
Fundraising	2,741,648	-	-	2,741,648	1,825,687	-	-	1,825,687
Total supporting services	15,782,001	-	-	15,782,001	10,300,953	-	-	10,300,953
Total operating expenses	147,910,073	-	-	147,910,073	131,707,326	-	-	131,707,326
Change in Net Assets	719,872	2,384,407	-	3,104,279	6,943,139	(1,307,134)	-	5,636,005
Net Assets, Beginning of Year	26,231,700	1,366,597	150,000	27,748,297	19,288,561	2,673,731	150,000	22,112,292
Net Assets, End of Year	$ 26,951,572	$ 3,751,004	$ 150,000	$ 30,852,576	$ 26,231,700	$ 1,366,597	$ 150,000	$ 27,748,297

Breaking the Cycle of Homelessness for Women and their Children

Women In Need, Inc.

Consolidated Statements of Functional Expenses

Years Ended June 30, 2023 and 2022

	2023						
	Program Services				Supporting Services		
	Family Shelters	Family Supportive Housing	Communications and Other Program Services	Total	Management and General	Fundraising	Total
Salaries	$ 23,541,585	$ 2,935,962	$ 2,346,014	$ 28,823,561	$ 5,409,467	$ 1,132,869	$ 35,365,897
Benefits and payroll taxes	5,517,628	692,353	561,597	6,771,578	567,789	260,013	7,599,380
Total salaries, benefits, and payroll taxes	29,059,213	3,628,315	2,907,611	35,595,139	5,977,256	1,392,882	42,965,277
Temporary help	12,616,825	1,343,744	113,345	14,073,914	603,831	114,833	14,792,578
Total salaries and related expenses	41,676,038	4,972,059	3,020,956	49,669,053	6,581,087	1,507,715	57,757,855
Occupancy	55,768,411	5,154,002	189,118	61,111,531	3,062,489	9,488	64,183,508
Supplies	4,057,593	340,321	868,562	5,266,476	711,114	146,801	6,124,391
Professional fees	188,374	586,578	1,018,954	1,793,906	71,960	279,964	2,145,830
Donated services - legal	-	-	-	-	971,392	-	971,392
Insurance	2,397,270	369,863	565	2,767,698	191,377	-	2,959,075
Repairs and maintenance	6,587,225	379,647	9,574	6,976,446	315,928	-	7,292,374
Food	680,383	13,584	118,093	812,060	17,655	7,082	836,797
Staff/client expenses	372,870	34,602	228,527	635,999	575,093	44,098	1,255,190
Transportation	320,473	4,445	13,946	338,864	23,890	3,085	365,839
Catering costs	-	-	-	-	80,058	236,529	316,587
Other expenses	564,710	337,328	-	902,038	158,458	506,279	1,566,775
Depreciation and amortization	1,548,666	130,721	170,370	1,849,757	122,612	607	1,972,976
Interest	-	4,244	-	4,244	157,240	-	161,484
Total expenses	$ 114,162,013	$ 12,327,394	$ 5,638,665	$ 132,128,072	$ 13,040,353	$ 2,741,648	$ 147,910,073

Breaking the Cycle of Homelessness for Women and their Children

Women In Need, Inc.

Consolidated Statements of Functional Expenses (Continued)

Years Ended June 30, 2023 and 2022

	2022						
	Program Services				Supporting Services		
	Family Shelters	Family Supportive Housing	Communications and Other Program Services	Total	Management and General	Fundraising	Total
Salaries	$ 25,914,812	$ 3,310,460	$ 2,508,126	$ 31,733,398	$ 3,613,774	$ 926,837	$ 36,274,009
Benefits and payroll taxes	5,377,324	688,913	520,436	6,586,673	627,237	192,319	7,406,229
Total salaries, benefits, and payroll taxes	31,292,136	3,999,373	3,028,562	38,320,071	4,241,011	1,119,156	43,680,238
Temporary help	7,879,930	800,078	-	8,680,008	119,437	-	8,799,445
Total salaries and related expenses	39,172,066	4,799,451	3,028,562	47,000,079	4,360,448	1,119,156	52,479,683
Occupancy	53,773,960	4,145,266	68,802	57,988,028	1,396,651	-	59,384,679
Supplies	2,214,403	615,293	525,433	3,355,129	748,234	86,024	4,189,387
Professional fees	147,608	573,537	752,816	1,473,961	50,052	207,365	1,731,378
Donated services	-	-	-	-	905,964	-	905,964
Insurance	2,516,079	322,687	610	2,839,376	71,114	-	2,910,490
Repairs and maintenance	4,798,778	215,302	578	5,014,658	102,766	-	5,117,424
Food	540,092	4,302	3,527	547,921	1,156	131	549,208
Staff/client expenses	580,672	38,480	79,901	699,053	348,005	17,648	1,064,706
Transportation	220,628	9,012	4,219	233,859	11,712	1,104	246,675
Catering costs	-	54	-	54	6,500	279,122	285,676
Other expenses	249,176	-	-	249,176	200,506	114,833	564,515
Depreciation and amortization	1,735,707	115,947	148,669	2,000,323	130,036	304	2,130,663
Interest	-	4,756	-	4,756	142,122	-	146,878
Total expenses	$ 105,949,169	$ 10,844,087	$ 4,613,117	$ 121,406,373	$ 8,475,266	$ 1,825,687	$ 131,707,326

Breaking the Cycle of Homelessness
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Women In Need, Inc.

Consolidated Statements of Cash Flows

Years Ended June 30, 2023 and 2022

	2023	2022
Operating Activities		
Change in net assets	$ 3,104,279	$ 5,636,005
Items not requiring (providing) operating cash flows		
Depreciation and amortization	1,972,976	2,130,663
Operating lease expense	763,882,351	-
Changes in		
Due from government agencies	(2,268,467)	(4,003,222)
Due from related parties	(118,511)	(177,329)
Contributions receivable	(1,472,114)	(294,813)
Security deposits	(99,671)	(22,373)
Other assets	(93,838)	281,101
Accounts payable and accrued expenses	(1,914,788)	(1,874,077)
Accrued salaries and vacation payable	(2,055,225)	1,855,634
Deferred rent payable	-	17,398
Net cash provided by operating activities	760,936,992	3,548,987
Investing Activities		
Purchases of property and equipment	(11,350,133)	(2,605,109)
Net cash used in investing activities	(11,350,133)	(2,605,109)
Financing Activities		
Proceeds from loans payable	2,231,345	2,988,823
Proceeds from issuance of mortgage notes payable	70,850,000	-
Debt issuance costs	(2,034,913)	-
Principal payments on loans payable	(2,930,576)	(939,343)
Principal payments on mortgage notes payable	(8,457)	(7,947)
Net cash provided by financing activities	68,107,399	2,041,533
Net Change in Cash, Cash Equivalents, and Restricted Cash	817,694,258	2,985,411
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	13,909,749	10,924,338
Cash, Cash Equivalents, and Restricted Cash, End of Year	$ 831,604,007	$ 13,909,749
Supplemental Cash Flows Information		
Cash paid for interest, net of capitalized interest	$ 161,484	$ 146,878
Property and equipment in accounts payable	2,804,810	25,185
ROU assets obtained in exchange for operating lease liabilities	51,782,190	-

Breaking the Cycle of Homelessness
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Women In Need, Inc.

Notes to Consolidated Financial Statements

June 30, 2023 and 2022

Note 1: Organization and Summary of Significant Accounting Policies

(1) Nature of Organization

The accompanying audited consolidated financial statements of Women In Need, Inc. and its related enterprises (together, the Organization) reflect the consolidated financial position, changes in net assets, functional expenses, and cash flows for the following entities:

(a) Women In Need, Inc. (Win) provides housing, help, and hope to New York City women and their families who are homeless and disadvantaged through comprehensive programs such as shelter, supportive permanent housing, job training, domestic violence services, alcohol and substance abuse treatment, and child care. Win offers the tools and guidance which allow families to return to their communities and live independently.

(b) Win Housing Development Fund Company, Inc. (Lehman) is an entity that is wholly controlled by Win and holds title to the Shearson Lehman Family residence building located at 2248 Webster Avenue, Bronx, NY.

(c) Win Decatur Housing Development Fund Company, Inc. (Decatur) is an entity that is wholly controlled by Win and holds title to the Decatur Street supportive housing residence located at 455 Decatur Street, Brooklyn, NY.

(d) Win 91st Street LLC was organized for the purpose of acting as the Master Lessee and/or the Administering Agent of certain real property to be known as the Affordable Condo Unit in the building located at 316 East 91st Street, New York, NY. Win is the sole member of Win 91st Street LLC.

(e) Win 118th Street Housing Development Fund Corporation was incorporated to develop a low-income housing project. Win is the sole member of Win 118th Street Housing Development Fund Corporation.

Win 118th Street GP, Inc. is .01% general partner of Win 118th Street L.P., a for-profit limited partnership. Win 118th Street GP, Inc. is controlled by Win 118th Street Housing Development Fund Corporation. WIN 118th Street L.P. is not consolidated into the Organization as it is not controlled by Win.

(f) Win Far Rockaway Housing Development Fund Corporation is an entity whose sole member is Win, and holds title to property located in Far Rockaway, Queens, NY that was used to build a supportive housing building.

Win Far Rockaway Housing Development Fund Corporation has a nominal ownership in Rockaway South, L.P. a for-profit limited partnership. Rockaway South GP, LLC, a .005% owner of Rockaway South, L.P., is 51% controlled by WIN Supportive Housing Corp., the sole member of which is Win Far Rockaway Housing Development Fund Corporation, and 49% controlled by Related South Rockaway, LLC. Rockaway South GP, LLC and Rockaway South, L.P. are not consolidated into the Organization as they are not controlled by Win.

Women In Need, Inc.

Notes to Consolidated Financial Statements

June 30, 2023 and 2022

(g) Win Glenmore Housing Development Fund Corporation was incorporated to develop a low-income housing project. Win is the sole member of Win Glenmore Housing Development Fund Corporation.

Win Glenmore Housing Development Fund Corporation is the sole shareholder of Win Glenmore Corporation, which is a 51% member of Glenmore Housing GP, LLC. Glenmore Housing GP, LLC is .01% general partner of Glenmore Housing Associates, LLC, a for-profit limited partnership. Glenmore Housing GP, LLC is controlled by Win Glenmore Housing Development Fund Corporation. Glenmore Housing GP, LLC is not consolidated into the Organization as it is not controlled by Win.

(h) Colgate Close Housing Development Fund Corporation will provide housing to low-income individuals. Win is the sole member of Colgate Close Housing Development Fund Corporation. Colgate Close Housing Development Fund Corporation is also a 50% owner of Colgate Close GP, LLC, a for-profit limited liability corporation. Colgate Close GP, LLC is .01% general partner of Colgate Close L.P. Colgate Close L.P. and Colgate Close GP, LLC are not consolidated into the Organization as they are not controlled by Win.

(i) WIN 91st Street Housing Development Fund Corporation was established for the purpose of developing and operating a housing project for Persons of Low Income. Win is the sole member of WIN 91st Street Housing Development Fund Corporation.

(j) Powers Supportive Housing Development Fund Corporation was established for the purpose of developing and operating a housing project for Persons of Low Income. WIN is the sole member of Powers Supportive Housing Development Fund Corporation.

(k) Powers Transitional Housing Development Fund Corporation was established for the purpose of developing and operating a housing project for Persons of Low Income. WIN is the sole member of Powers Transitional HDFC.

Win, Lehman, Decatur, and Colgate Close Housing Development Fund Corporation are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and from state and local taxes under comparable laws. Win 118th Street Housing Development Fund Corporation, Win Far Rockaway Housing Development Fund Corporation, Win Glenmore Housing Development Fund Corporation, WIN 91st Street Housing Development Fund Corporation, Powers Supportive Housing Development Fund Corporation, and Powers Transitional Housing Development Fund Corporation are exempt from federal income taxes under Section 501(c)(4) and from state and local taxes under comparable laws.

The Organization is supported primarily by governmental grants from the City of New York.

(2) Summary of Significant Accounting Policies

(a) Principles of Consolidation

All material inter-entity transactions and balances have been eliminated in consolidation.

(b) Functional Allocation of Expenses

The costs of providing the Organization's programs and other activities have been summarized on a functional basis. Certain costs have been allocated among the program, management and general, and fundraising categories based on the direct cost method and other methods.

(c) Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(d) Cash, Cash Equivalents, and Restricted Cash

Cash, cash equivalents, and restricted cash consist of cash and highly liquid investments with maturity dates when acquired of three months or less and consist of money market accounts and certificates of deposit.

At June 30, 2023, the Organization's cash accounts exceeded federally insured limits by approximately $68,700,000.

(e) Assets Limited as to Use

Assets limited as to use include cash that is to be used for construction of property as well as debt service reserves.

(f) Due From Government Agencies

Accounts receivable from government fees and grants and other sources of income are recorded when services are rendered or when qualifying expenses are incurred.

(g) Allowance for Doubtful Accounts

The Organization determines whether an allowance for uncollectibles should be provided for contributions receivable and due from government agencies. Such estimates are based on management's assessment of the aged basis of the account, current economic conditions, and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted.

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June 30, 2023 and 2022

(h) Property and Equipment

Property and equipment with a cost of $1,000 and an estimated useful life of more than one year are capitalized either at their original cost or at their fair value at the date of donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets. Buildings and building improvements are depreciated over 5 to 40 years, and furniture and fixtures and vehicles are depreciated over four to five years. Leasehold improvements are capitalized and amortized using the straight-line method over the remaining lease term, or the anticipated useful life of the improvement of 10 to 20 years, whichever is shorter.

(i) Long-Lived Asset Impairment

The Organization evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended June 30, 2023 and 2022.

(j) Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor or certain grantor restrictions.

Net assets with donor restrictions are subject to donor or certain grantor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions are perpetual in nature, where the donor or grantor stipulates that resources be maintained in perpetuity.

(k) Contributions

Contributions are provided to the Organization either with or without restrictions placed on the gift by the donor. 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
Conditional gifts, with or without restriction	
Gifts that depend on the Organization overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, *i.e.*, the donor-imposed barrier is met

Women In Need, Inc.

Notes to Consolidated Financial Statements

June 30, 2023 and 2022

Nature of the Gift	Value Recognized
Unconditional gifts, with or without restriction	
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

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 consolidated statements 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.

Gifts that are originally restricted by the donor and for which the restriction is met in the same time period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Conditional contributions and investment income having donor stipulations which are satisfied in the period the gift is received and the investment income is earned are recorded as revenue without donor restrictions.

(l) Revenue Recognition

Revenue from government contracts and grants is recognized when costs are incurred or other services are performed and requisitions for reimbursement are submitted. Advances from governmental agencies represent unspent government grant monies.

Revenue from rental income is recognized based on the underlying leases. There are no future expected minimum lease receipts.

Included in program services are $277,060 and $273,766 of management fees earned by Win for providing management and fiscal services to related entities in 2023 and 2022, respectively. Fees charged were equal to 8% of the gross rent receipts of the related entities.

Women In Need, Inc.
Notes to Consolidated Financial Statements
June 30, 2023 and 2022

Reimbursements for program expense and overhead applicable to various programs conducted under contract with governmental agencies are based on complex laws and regulations. Noncompliance with such laws and regulations could result in fines, penalties, and exclusion from such programs. No such fines or penalties were imposed on the Organization. The Organization is subject to audit, which may result in adjustments or disallowances. The amount of disallowance, if any, cannot be determined. Therefore, no provision is made for these potential liabilities. Management does not anticipate any material adjustments as a result of these audits.

Note 2: Due From Government Agencies

Amounts due to the Organization, and representing a concentration from governmental agencies, to be received in support of client services and under the terms of agreements signed with various federal, state, and city agencies, are as follows:

	June 30,	
	2023	2022
Federal	$ 1,268,499	$ 1,329,406
New York City	25,654,478	23,325,104
	26,922,977	24,654,510
Allowance for doubtful accounts	(155,775)	(155,775)
	$ 26,767,202	$ 24,498,735

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Note 3: Government Contract Reimbursement Future Commitments

Win receives its contract support through periodic claims filed with the respective funding sources, not to exceed a limit specified in the contract agreements. These grants are conditional upon incurring allowable expenditures as specified in the contracts. Since the consolidated financial statements of Win are prepared on the accrual basis, all portions of the contract not yet received as of June 30, 2023 where Win has an unconditional right to payment have been recorded as receivables. The following are the contract commitments that extend beyond June 30, 2022:

Grant	Term	Grant Amount	Earned Through 2023	Available Funding
DHS Shelters	2/01/2020-06/30/2029	$453,632,471	$112,205,416	$341,427,055
Supportive Housing	07/01/2019-03/31/2026	44,131,789	16,843,399	27,288,390
Total		$497,764,260	$129,048,815	$368,715,445

The contract agreements include certain clauses that allow them to be terminated in whole or in part by the granting agency as well as Win.

Note 4: Loans Receivable

On October 22, 2015, Win entered into a Declaration of Interest and Nominee Agreement with Win 118th Street L.P., and transferred a parcel of land located at 17-21 West 118th Street, New York, NY, Block 1717, Lot 22, which had a purchase price of $590,000, to Win 118th Street L.P., a New York limited partnership (the Borrower), in exchange for a non-recourse promissory note (secured by a mortgage and the property) with Women In Need, Inc. (the Lender) for the principal sum of up to $959,000 ($590,000 for the land and $369,000 for other future project costs including reserves). This land will be used for the development of thirty-five (35) residential rental units for persons of low-income. This project will be known as "Win 118th Street Residences." The loan matures 55 years from date of Substantial Completion as defined in the Amended and Restated Partnership Agreement of the Borrower. Interest accrues at an applicable federal rate (AFR) as defined by the Internal Revenue Code of 1986, as amended, which, as of October 22, 2015, was 2.58% to be compounded and due annually commencing October 22, 2015. As of June 30, 2023 and 2022, $590,000 of principal, and $129,349 and $120,438 of interest, respectively, was due from Win 118th Street L.P. Interest income earned for the years ended June 30, 2023 and 2022 was $18,302 and $17,837, respectively. The accrued interest receivable is included in other assets and the related interest income is included in miscellaneous revenue.

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Note 5: Property and Equipment

Property and equipment consist of the following:

	June 30,	
	2023	2022
Land	$ 915,000	$ 915,000
Buildings	1,313,453	1,313,453
Building improvements	773,468	773,468
Leasehold improvements	6,866,258	6,035,157
Furniture and fixtures	11,518,447	11,215,465
Vehicles	1,139,217	1,139,217
Construction in progress	14,710,769	1,715,094
	37,236,612	23,106,854
Less accumulated depreciation and amortization	(18,206,793)	(16,233,817)
	$ 19,029,819	$ 6,873,037

The Organization started a construction project in 2022. The Organization anticipates the project to be completed by 2024 with a total renovation cost of approximately $71 million. Construction is financed through a long-term loan with UMB Bank.

The Organization capitalizes interest costs as a component of construction in progress, based on interest costs of borrowing specifically for the project, net of interest earned on investments acquired with the proceeds of the borrowing. Total interest capitalized during fiscal year ended June 30, 2023 was $1,269,515.

Note 6: Leases

Changes in Accounting Principles

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). This ASU requires lessees to recognize a lease liability and a right-of-use (ROU) asset on a discounted basis, for substantially all leases, as well as additional disclosures regarding leasing arrangements. Disclosures are required to enable users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. In July 2018, the FASB issued ASU 2018-11, *Leases* (Topic 842): *Targeted Improvements*, which provides an optional transition method of applying the new lease standard. Topic 842 can be applied using either a modified retrospective approach at the beginning of the earliest period presented or, as permitted by ASU 2018-11, at the beginning of the period in which it is adopted, *i.e.*, the comparatives under ASC 840 option.

The Organization adopted Topic 842 on July 1, 2022 (the effective date), using the comparatives under ASC 840 transition method, which applies Topic 842 at the beginning of the period in which it is adopted. Prior period amounts have not been adjusted in connection with the adoption of this standard. The Organization elected the package of practical expedients under the new standard, which permits entities to not reassess lease classification, lease identification or initial direct costs for existing or expired leases prior to the effective date. The Organization has lease agreements with nonlease components that relate to the lease components. The Organization has elected the practical expedient to account for nonlease components and the lease components to which they relate as a single lease component. Also, the organization elected to keep short-term leases with an initial term of 12 months or less off the statement of financial position. The Organization did not elect the hindsight practical expedient in determining the lease term for existing leases as of July 1, 2022.

The most significant impact of adoption was the recognition of operating lease ROU assets and operating lease liabilities of $370,403,740 and $371,592,838, respectively, while the accounting for existing capital leases (now referred to as finance leases) remained substantially unchanged. As part of adopting the standard, previously recognized liabilities for deferred rent were reclassified as a component of the ROU assets. The standard did not significantly affect the consolidated statements of activities, changes in net assets, functional expenses, and cash flows.

Accounting Policies

The Organization determines if an arrangement is a lease or contains a lease at inception. Leases result in the recognition of ROU assets and lease liabilities on the consolidated statements of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date.

The Organization combines lease and nonlease components, such as common area and other maintenance costs, and accounts for them as a single lease component in calculating the ROU assets and lease liabilities for its office buildings.

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At lease commencement, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Organization has made a policy election to use a risk-free rate (the rate of a zero-coupon U.S. Treasury instrument) for the initial and subsequent measurement of all lease liabilities. The risk-free rate is determined using a period comparable with the lease term.

The lease term may include options to extend or to terminate the lease that the Organization is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

The Organization has elected not to record leases with an initial term of 12 months or less on the consolidated statements of financial position. Lease expense on such leases is recognized on a straight-line basis over the lease term.

Nature of Leases

The Organization has entered into the following lease arrangements:

Operating Leases

The Organization has leases for programs and office space that expire in various years through 2050. Lease payments have an escalating fee schedule. Termination of the leases is generally prohibited unless there is a violation under the lease agreement or if the related governmental contracts are terminated.

Short-Term Leases

The Organization leases space and certain equipment on short term leases that are 12 months or less.

All Leases

The Organization has no material related-party leases.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

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Quantitative Disclosures

The lease cost and other required information for the year ended June 30, 2023 are:

Lease cost	
Operating lease cost	$ 46,207,328
Short-term lease cost	664,476
Variable lease cost	7,645,793
Total lease costs	$ 54,517,597
Other information	
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	$ 45,850,690
Right-of-use assets obtained in exchange for new operating lease liabilities	51,782,190
Weighted-average remaining lease term	
Operating leases	19.73 years
Weighted-average discount rate	
Operating leases	3.13%

Future minimum lease payments and reconciliation to the consolidated statement of financial position at June 30, 2023 are as follows:

2024	$ 47,896,786
2025	31,674,930
2026	31,326,116
2027	28,496,454
2028	24,242,356
Thereafter	367,124,837
Total future undiscounted lease payments	530,761,479
Less interest	(146,769,360)
Lease liabilities	$ 383,992,119

Prior Year Future Minimum Lease Payments under Topic 840

The Organization leases space at various sites throughout New York City under lease agreements expiring between 2023 and 2050. These leases can be terminated if the related government contracts are discontinued. Rent expense for fiscal year 2022 was $42,740,318.

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The minimum annual rental payments were as follows:

Year Ending June 30,	
2023	$ 42,995,092
2024	33,759,448
2025	29,870,620
2026	30,238,127
2027	27,841,747
Thereafter	270,677,127
	$ 435,382,161

Note 7: Mortgage Notes Payable

Mortgage notes payable consist of the following:

Provider	Annual Interest Rate	Terms	Maturity Dates	June 30, 2023	June 30, 2022
UMB Bank Loan	5.70%	32 years	November 2054	$11,491,784	$ -
UMB Bank Loan	5.70%	32 years	November 2054	59,358,216	-
New York Housing Development Corp.	7.21%	26 years	July 2026	25,820	33,248
NYC Department of Housing Preservation and Development	1.00%	30 years	July 2030	207,340	208,369
				$71,083,160	$ 241,617

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During fiscal year June 30, 2023, the Organization entered into two mortgage agreements with UMB Bank for the construction of a building. The loans are interest only until June 2025. The unamortized debt issuance costs based on effective interest rate of 1.2% were $2,034,913.

The mortgages are secured by the underlying land and buildings.

Combined payments of principal over the next five years and thereafter are as follows:

2024	$ 9,034
2025	539,829
2026	961,215
2027	1,017,284
2028	1,076,288
Thereafter	67,479,510
	71,083,160
Less unamortized debt issuance costs	(2,034,913)
	$ 69,048,247

Note 8: Loans Payable

The Organization has a revolving line of credit with Bank of America, N.A. (BOA) up to the amount of $2,000,000. Interest-only payments are made on the unpaid principal on the 16th of every month. The interest rate is calculated using the greater of BSBY rate or index floor plus 1.50%. The line expires on July 15, 2024. There were no draw downs on the line of credit as of June 30, 2023 and 2022.

During 2021, the Organization obtained financing from the Corporation of Supporting Housing of $1,500,000 for project redevelopment. The loan was to mature the earlier of closing of construction financing on the transitional shelter Phase 1 or July 1, 2024. The loan had an interest rate of 5.2% and the principal and interest were due at maturity. The Organization fully repaid the loan in 2023. The balance outstanding on the loan as of June 30, 2023 and 2022 was $0 and $1,238,230, respectively.

On June 29, 2022, the Organization obtained financing from the Leviticus Alternative Fund, Inc. of $500,000. The loan had an interest rate of 5.5%. During 2023, the loan was fully repaid. The balance outstanding on the loan as of June 30, 2023 and 2022 was $0 and $500,000, respectively.

The Organization had available from BOA a $1,700,000 line to term. This is a non-revolving line of credit turned into a term loan on January 31, 2022. Payments are due in equal installments starting February 28, 2022, through January 31, 2027 at an interest rate of 3.5% per year. During 2022, the Organization drew down the full $1,700,000. The balance outstanding on the term loan as of June 30, 2023 and 2022 was $1,226,230 and $1,560,656, respectively.

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In addition, the Organization had a second line to term available from BOA of $4,000,000 which was fully drawn upon during 2021. This was a non-revolving line of credit turned into a term loan on January 17, 2021. The term loan matures on January 17, 2026. The loan has an interest rate of 3.53%. The balance outstanding on the term loan as of June 30, 2023 and 2022 was $2,066,667 and $2,866,667, respectively. The Organization has granted a security interest to BOA, as defined, in certain assets.

Finally, the Organization had a third line of term available from BOA of $2,200,000 which was fully drawn upon during 2023. This was a non-revolving line of credit turned into a term loan on June 30, 2023. The term loan matures on June 30, 2028. The loan has an interest rate of 5.75%. The balance outstanding on the term loan as of June 30, 2023 was $2,173,425.

The maturity of the loans is as follows:

2024	$ 1,635,620
2025	1,635,620
2026	1,302,287
2027	724,146
2028	168,649
	$ 5,466,322

Note 9: Letter of Credit

In connection with a lease agreement (Note 6), in January 2019, the Organization entered into a letter of credit agreement in the amount of $344,948 with BOA to be used as a security deposit. Interest is charged at 0.03% and is collateralized by the Organization’s account at BOA. The letter of credit had an initial expiration date of March 1, 2020 and will automatically renew itself for one-year terms until the final maturity date of March 1, 2030.

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Note 10: Net Assets

Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30 are restricted for the following purposes or periods:

	2023	2022
Subject to expenditure for specified purpose		
Program expenditures*	$ 1,601,000	$ 711,297
Capacity building	-	75,000
Scholarships	-	30,300
Subject to the passage of time		
Promises to give that are not restricted by donors but which are unavailable for expenditure until due	2,150,004	550,000
Endowments		
Subject to NFP endowment spending policy and appropriation		
General use	150,000	150,000
	$ 3,901,004	$ 1,516,597

Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2023	2022
Satisfaction of purpose restrictions		
Program expenditures*	$ 3,614,047	$ 4,190,605
Capacity building	75,000	-
Scholarships	30,300	39,700
IT support	-	243,651
Total	$ 3,719,347	$ 4,473,956

* Provision of housing and social services.

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Note 11: Contributed Services

Donated goods are recognized at their fair values at the date of donations. Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. During fiscal years 2023 and 2022, the value of contributed legal services recognized as revenues and expenses in the accompanying consolidated financial statements was $971,392 and $905,964, respectively.

Note 12: Retirement Plan

The Organization has a 403(b) tax-deferred annuity retirement plan, which covers all employees who meet specific eligibility requirements. The Organization can match up to 3% of employees' contributions after two years of employment. The Organization made a contribution of $336,228 in 2023 and $336,113 in 2022. Participants' voluntary contributions and the Organization's contributions are fully vested at all times.

Note 13: Concentrations

Approximately 81% and 84% in 2023 and 2022, respectively, of the Organization's revenues arise from contracts with the City of New York (primarily with the Department of Homeless Services) as well as approximately 95% due from government agencies for 2023 and 2022. Overall, 87% and 89% in 2023 and 2022 of the Organization's revenues come from federal, state, and city contracts.

Approximately 18% and 24% of the Organization's contributions were from one donor in fiscal year ended June 30, 2023 and 2022, respectively.

Note 14: Commitments and Contingencies

(1) The Organization is subject to claims and lawsuits that arose primarily in the ordinary course of its activities. It is the opinion of management the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets, and cash flows of the Organization. Events could occur that would change this estimate materially in the near term.

(2) The Organization is responsible for reporting to and is regulated by various third parties, among which is the New York State Department of Health (DOH). These agencies, as well as the New York State Office of the Attorney General's Medicaid Fraud Control Unit (MFCU), the Internal Revenue Service, the New York State Office of the Attorney General's Charities Bureau, the Office of Inspector General (OIG) and the New York State Department of Health's Independent OMIG, and other agencies have the right to audit Win. These agencies have the right to audit fiscal as well as programmatic compliance, *i.e.*, clinical documentation and physician certifications, among other compliance requirements.

(3) In connection with Win 118th Street Housing Development Fund Corporation's purchase of property located at West 118th Street, New York, NY, from the City of New York (NYC), which was utilized by Win 118th Street LP to generate Low Income Housing Tax Credits (LIHTC) through the development of a 35-unit, multi-family apartment building, an enforcement note was signed by both the Win 118th Street Housing Development Fund Corporation and Win 118th Street LP indicating that, should the LIHTC project not be in compliance with its regulatory agreement, the Win 118th Street Housing Development Fund Corporation and Win 118th Street LP would be jointly liable for an enforcement loan in the amount of $600,000, payable to NYC. No funds were received in connection with this enforcement loan, and there is no amount due unless there is non-compliance. No amounts have been recorded in the financial statements for this loan. This enforcement note expires during fiscal year ending 2075.

Note 15: Endowment Funds

The Organization's governing body is subject to the *State of New York Prudent Management of Institutional Funds Act* (NYPMIFA). As a result, the Organization classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time-restricted until the governing body appropriates such amounts for expenditures.

Additionally, in accordance with NYPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Organization and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the Organization
7. Investment policies of the Organization

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The Organization's endowment consists of a fund established by a donor to provide income to be used for any appropriate charitable purpose. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Win's donor-restricted endowment fund consists of one endowment fund to be held in perpetuity.

As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The composition of net assets by type of endowment fund at June 30, 2023 and 2022 was:

	With Donor Restrictions	
	2023	**2022**
Donor-restricted endowment funds		
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ 150,000	$ 150,000

Change in endowment net assets for the years ended June 30, 2023 and 2022 were:

	With Donor Restrictions	
	2023	**2022**
Endowment net assets, beginning of year	$ 150,000	$ 150,000
Investment return, net	267	267
Appropriation of endowment assets for expenditures	(267)	(267)
Endowment net assets, end of year	$ 150,000	$ 150,000

Investment and Spending Policies

The primary investment objective for the endowment is to preserve and protect principal, while providing a predictable stream of funding to the Organization. The investment policy to achieve this objective is to invest in low-risk investments. Interest earned in relation to the endowment funds is recorded as donor-restricted income and released from restriction upon expenditure for the program for which the endowment fund was established. As per donor intent, Win can use 5% of the average market value (including all income, gains, and losses) of the prior two years for any appropriate charitable purpose. The policy of the Organization is to report donor-restricted investment income appropriated in the year earned as net assets with donor restrictions and then released from restrictions.

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Underwater Endowments

Win does not have any funds with deficiencies.

Note 16: Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2023 and 2022, comprise the following:

	2023	2022
Financial assets		
Cash and cash equivalents	$ 11,559,200	$ 13,909,749
Due from government agencies - net	26,767,202	24,498,735
Due from related parties - net	2,076,053	1,957,542
Contributions receivable - due within one year	2,725,749	1,753,635
Other assets	405,382	424,598
Total financial assets	43,533,586	42,544,259
Donor-imposed restrictions		
Restricted funds	3,751,004	1,366,597
Endowments	150,000	150,000
Total donor-imposed restrictions	3,901,004	1,516,597
Financial assets available to meet cash needs for general expenditures within one year	$ 39,632,582	$ 41,027,662

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

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Note 17: Related-Party Transactions

As of June 30, 2023 and 2022, the following balances were included in due from related parties – net, on the consolidated statements of financial position:

	2023	2022
Win 118th Street L.P. - receivable	$ 474,053	$ 487,460
Glenmore Housing Associates, LLC - receivable	1,716,559	1,586,951
Other	(34)	9,246
	2,190,578	2,083,657
Allowance for doubtful accounts	(114,525)	(126,115)
	$ 2,076,053	$ 1,957,542

As of June 30, 2023 and 2022, the following was the management fee income recognized by the Organization:

	2023	2022
Win 118th Street L.P.	$ 43,409	$ 42,153
Glenmore Housing Associates, LLC	230,357	224,005
	$ 273,766	$ 266,158

Note 18: Subsequent Events

Subsequent events have been evaluated through January 30, 2024 which is the date the consolidated financial statements were available to be issued.