

Philanthropy New York, Inc.

Financial Statements

December 31, 2025 and 2024

Independent Auditors' Report

Board of Directors
Philanthropy New York, Inc.

Opinion

We have audited the accompanying financial statements of Philanthropy New York, Inc. ("PNY"), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Philanthropy New York, Inc. as of December 31, 2025 and 2024, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Philanthropy New York, 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.

Responsibilities of Management 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 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Philanthropy New York, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 generally accepted auditing standards 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Philanthropy New York, 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Philanthropy New York, 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.

PKF O'Connor Davies, LLP

March 24, 2026

Philanthropy New York, Inc.

Statements of Financial Position

	December 31	
	2025	2024
ASSETS		
Cash and cash equivalents	\$ 5,166,102	\$ 4,331,089
Restricted cash	-	179,277
Investments, at fair value	5,789,043	5,034,366
Grants and contributions receivable	1,290,000	1,465,000
Accounts receivable	12,195	11,187
Prepaid expenses	54,970	53,693
Property and equipment, net	11,341	49,679
ROU assets - operating leases, net	2,029,207	2,042,592
	<u>\$ 14,352,858</u>	<u>\$ 13,166,883</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 316,048	\$ 166,426
Unearned dues and management fees	350,802	266,431
Operating lease payable	2,430,657	2,368,072
Total Liabilities	<u>3,097,507</u>	<u>2,800,929</u>
Net Assets		
Without Donor Restrictions		
Operating	2,915,151	1,700,841
Board designated	3,455,465	3,034,052
Total Without Donor Restrictions	<u>6,370,616</u>	<u>4,734,893</u>
With donor restrictions	<u>4,884,735</u>	<u>5,631,061</u>
Total Net Assets	<u>11,255,351</u>	<u>10,365,954</u>
	<u>\$ 14,352,858</u>	<u>\$ 13,166,883</u>

See notes to financial statements

Philanthropy New York, Inc.

Statement of Activities
Year Ended December 31, 2025

	Without Donor Restrictions			With Donor Restrictions	Total
	Operating	Board Designated	Total		
SUPPORT AND REVENUE					
Grants and contributions	\$ 23,180	\$ -	\$ 23,180	\$ 4,997,044	\$ 5,020,224
Membership dues and support	1,133,217	831,413	1,964,630	1,254,588	3,219,218
Program fees	97,588	-	97,588	-	97,588
Investment return	786,875	-	786,875	-	786,875
Management fees	382,780	-	382,780	-	382,780
Rental income	308,478	-	308,478	-	308,478
Other	8,600	-	8,600	-	8,600
Net assets released from restrictions and designations	<u>7,407,958</u>	<u>(410,000)</u>	<u>6,997,958</u>	<u>(6,997,958)</u>	<u>-</u>
Total Support and Revenue	<u>10,148,676</u>	<u>421,413</u>	<u>10,570,089</u>	<u>(746,326)</u>	<u>9,823,763</u>
EXPENSES					
Program Services					
Member engagement and network building	1,272,470	-	1,272,470	-	1,272,470
Learning and programs	1,405,044	-	1,405,044	-	1,405,044
Public policy	478,778	-	478,778	-	478,778
Communications	494,001	-	494,001	-	494,001
Fiscal sponsorship	<u>4,402,202</u>	<u>-</u>	<u>4,402,202</u>	<u>-</u>	<u>4,402,202</u>
Total Program Services	<u>8,052,495</u>	<u>-</u>	<u>8,052,495</u>	<u>-</u>	<u>8,052,495</u>
Supporting Services					
Management and general	816,173	-	816,173	-	816,173
Fundraising	<u>65,698</u>	<u>-</u>	<u>65,698</u>	<u>-</u>	<u>65,698</u>
Total Supporting Services	<u>881,871</u>	<u>-</u>	<u>881,871</u>	<u>-</u>	<u>881,871</u>
Total Expenses	<u>8,934,366</u>	<u>-</u>	<u>8,934,366</u>	<u>-</u>	<u>8,934,366</u>
Change in Net Assets	1,214,310	421,413	1,635,723	(746,326)	889,397
NET ASSETS					
Beginning of year	<u>1,700,841</u>	<u>3,034,052</u>	<u>4,734,893</u>	<u>5,631,061</u>	<u>10,365,954</u>
End of year	<u>\$ 2,915,151</u>	<u>\$ 3,455,465</u>	<u>\$ 6,370,616</u>	<u>\$ 4,884,735</u>	<u>\$ 11,255,351</u>

See notes to financial statements

Philanthropy New York, Inc.

Statement of Activities
Year Ended December 31, 2024

	Without Donor Restrictions			With Donor Restrictions	Total
	Operating	Board Designated	Total		
SUPPORT AND REVENUE					
Grants and contributions	\$ 69,650	\$ -	\$ 69,650	\$ 4,687,656	\$ 4,757,306
Membership dues and support	1,276,925	320,000	1,596,925	1,177,435	2,774,360
Program fees	85,870	-	85,870	-	85,870
Investment return	572,302	-	572,302	-	572,302
Management fees	212,049	-	212,049	-	212,049
Rental income	394,172	-	394,172	-	394,172
Other	10,250	-	10,250	-	10,250
Net assets released from restrictions and designations	<u>4,313,621</u>	<u>(150,000)</u>	<u>4,163,621</u>	<u>(4,163,621)</u>	<u>-</u>
Total Support and Revenue	<u>6,934,839</u>	<u>170,000</u>	<u>7,104,839</u>	<u>1,701,470</u>	<u>8,806,309</u>
EXPENSES					
Program Services					
Member engagement and network building	1,760,818	-	1,760,818	-	1,760,818
Learning and programs	905,968	-	905,968	-	905,968
Public policy	521,091	-	521,091	-	521,091
Communications	131,031	-	131,031	-	131,031
Fiscal sponsorship	<u>2,704,052</u>	<u>-</u>	<u>2,704,052</u>	<u>-</u>	<u>2,704,052</u>
Total Program Services	<u>6,022,960</u>	<u>-</u>	<u>6,022,960</u>	<u>-</u>	<u>6,022,960</u>
Supporting Services					
Management and general	861,408	-	861,408	-	861,408
Fundraising	<u>71,682</u>	<u>-</u>	<u>71,682</u>	<u>-</u>	<u>71,682</u>
Total Supporting Services	<u>933,090</u>	<u>-</u>	<u>933,090</u>	<u>-</u>	<u>933,090</u>
Total Expenses	<u>6,956,050</u>	<u>-</u>	<u>6,956,050</u>	<u>-</u>	<u>6,956,050</u>
Change in Net Assets	(21,211)	170,000	148,789	1,701,470	1,850,259
NET ASSETS					
Beginning of year	<u>1,722,052</u>	<u>2,864,052</u>	<u>4,586,104</u>	<u>3,929,591</u>	<u>8,515,695</u>
End of year	<u>\$ 1,700,841</u>	<u>\$ 3,034,052</u>	<u>\$ 4,734,893</u>	<u>\$ 5,631,061</u>	<u>\$ 10,365,954</u>

See notes to financial statements

Philanthropy New York, Inc.

Statement of Functional Expenses Year Ended December 31, 2025

	Program Services					Supporting Services			Total Expenses	
	Member Engagement and Network Building	Learning and Programs	Public Policy	Communications	Fiscal Sponsorship	Total Program Services	Management and General	Fundraising		Total Supporting Services
Payroll, taxes and employee benefits	\$ 760,147	\$ 672,080	\$ 253,652	\$ 252,557	\$ -	\$ 1,938,436	\$ 454,989	\$ 29,740	\$ 484,729	\$ 2,423,165
Grants	-	-	-	-	854,050	854,050	-	-	-	854,050
Rent	261,693	223,725	84,858	83,222	-	653,498	155,151	9,656	164,807	818,305
Real estate taxes	25,282	21,614	8,198	8,040	-	63,134	14,989	933	15,922	79,056
Postage, printing and copying	-	-	-	-	20,109	20,109	11	-	11	20,120
Dues and subscriptions	15,240	18,006	4,992	4,846	50	43,134	9,008	562	9,570	52,704
Equipment rental and repair	2,747	2,348	891	874	-	6,860	1,629	101	1,730	8,590
Office related	6,416	8,194	1,701	1,862	-	18,173	2,632	164	2,796	20,969
Accounting and legal	9,596	8,203	3,111	3,051	-	23,961	5,688	354	6,042	30,003
Audit and tax	-	-	-	-	-	-	16,000	-	16,000	16,000
Staff travel and professional development	5,683	10,042	5,367	3,078	115,565	139,735	2,904	181	3,085	142,820
Meeting facilities and related	6,496	27,143	4,569	1,810	488,500	528,518	3,374	210	3,584	532,102
Consulting	142,952	337,725	99,696	123,143	2,511,073	3,214,589	128,325	22,461	150,786	3,365,375
Management fee	-	45,000	-	-	395,151	440,151	-	-	-	440,151
Telecommunications	7,899	6,753	2,561	2,512	4,365	24,090	4,683	291	4,974	29,064
Insurance	8,325	7,117	2,699	2,647	5,635	26,423	4,936	307	5,243	31,666
Other	5,360	4,583	1,738	1,705	870	14,256	3,178	198	3,376	17,632
Website and database	-	-	-	-	6,834	6,834	-	-	-	6,834
Depreciation and amortization	14,634	12,511	4,745	4,654	-	36,544	8,676	540	9,216	45,760
Total	\$ 1,272,470	\$ 1,405,044	\$ 478,778	\$ 494,001	\$ 4,402,202	\$ 8,052,495	\$ 816,173	\$ 65,698	\$ 881,871	\$ 8,934,366

See notes to financial statements

Philanthropy New York, Inc.

Statement of Functional Expenses Year Ended December 31, 2024

	Program Services					Supporting Services			Total Expenses	
	Member Engagement and Network Building	Learning and Programs	Public Policy	Communications	Fiscal Sponsorship	Total Program Services	Management and General	Fundraising		Total Supporting Services
Payroll, taxes and employee benefits	\$ 988,716	\$ 508,700	\$ 292,624	\$ 73,574	\$ -	\$ 1,863,614	\$ 468,778	\$ 40,183	\$ 508,961	\$ 2,372,575
Grants	-	-	-	-	500,000	500,000	-	-	-	500,000
Rent	359,158	184,797	106,276	26,727	-	676,958	170,317	14,653	184,970	861,928
Real estate taxes	27,467	14,132	8,127	2,044	-	51,770	13,025	1,121	14,146	65,916
Postage, printing and copying	-	-	-	-	4,995	4,995	85	-	85	5,080
Dues and subscriptions	19,361	9,962	5,729	1,441	-	36,493	9,182	790	9,972	46,465
Equipment rental and repair	4,383	2,255	1,297	326	-	8,261	2,078	179	2,257	10,518
Office related	6,128	3,153	1,813	456	-	11,550	13,306	249	13,555	25,105
Accounting and legal	1,681	865	498	125	-	3,169	798	68	866	4,035
Audit and tax	-	-	-	-	-	-	16,000	-	16,000	16,000
Staff travel and professional development	17,458	8,982	5,166	1,299	158,663	191,568	8,278	712	8,990	200,558
Meeting facilities and related	11,638	5,988	3,444	866	193,362	215,298	5,519	475	5,994	221,292
Consulting	266,175	136,955	78,762	19,808	1,496,424	1,998,124	126,226	10,859	137,085	2,135,209
Management fee	-	-	-	-	329,437	329,437	-	-	-	329,437
Telecommunications	7,932	4,081	2,347	590	9,268	24,218	3,763	324	4,087	28,305
Insurance	5,713	2,939	1,690	425	2,655	13,422	2,708	233	2,941	16,363
Other	6,639	3,416	1,964	494	2,866	15,379	3,149	271	3,420	18,799
Website and database	-	-	-	-	6,382	6,382	-	-	-	6,382
Depreciation and amortization	38,370	19,743	11,354	2,855	-	72,322	18,196	1,565	19,761	92,083
Total	\$ 1,760,818	\$ 905,968	\$ 521,091	\$ 131,031	\$ 2,704,052	\$ 6,022,960	\$ 861,408	\$ 71,682	\$ 933,090	\$ 6,956,050

See notes to financial statements

Philanthropy New York, Inc.

Statements of Cash Flows

	Year Ended December 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 889,397	\$ 1,850,259
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	45,760	92,083
Amortization of ROU Assets - operating leases	774,512	822,219
Realized and unrealized gain on investments	(510,049)	(331,068)
Changes in operating assets and liabilities		
Grants and contributions receivable	175,000	(1,065,000)
Accounts receivable	(1,008)	(11,187)
Prepaid expenses	(1,277)	(11,543)
Accounts payable and accrued expenses	149,622	3,220
Unearned dues and management fees	84,371	135,562
Operating lease payable	(698,542)	(732,132)
Net Cash from Operating Activities	907,786	752,413
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(7,422)	-
Purchases of investments	(653,386)	(915,399)
Proceeds from sale of investments	408,758	1,235,360
Net Cash from Investing Activities	(252,050)	319,961
Net Change in Cash and Cash Equivalents	655,736	1,072,374
CASH AND CASH EQUIVALENTS		
Beginning of year	4,510,366	3,437,992
End of year	\$ 5,166,102	\$ 4,510,366
CASH AND CASH EQUIVALENTS COMPRISED OF		
Cash and cash equivalents	\$ 5,166,102	\$ 4,331,089
Restricted cash	-	179,277
Total	\$ 5,166,102	\$ 4,510,366
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Right of use asset recognized	\$ 761,128	\$ -

See notes to financial statements

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

1. Organization

Philanthropy New York, Inc. ("PNY") is a not-for-profit organization incorporated under the laws of the State of New York. The Internal Revenue Service has determined that PNY is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code (the "Code") and furthermore has been ruled not to be a private operating foundation under Section 509(a)(1) of the Code.

From 1979 to May of 2009, PNY's name was New York Regional Association of Grantmakers, Inc. ("NYRAG"). PNY is a membership organization of foundations, corporate giving programs and other philanthropies in the metropolitan region and beyond. PNY supports the practice of effective philanthropy for the public good through educational activities, publications and communications. PNY actively facilitates collaboration and information sharing and is a key provider of philanthropic knowledge in the region. As of December 31, 2025, PNY had 253 members.

During 2025, PNY continued in its role as fiscal sponsor for eight active collaborative programs in which some of its members are involved. The programs during 2025 were New York Blacks in Philanthropy Network, NYC Small Business Funders Collective, Cultural Community Initiative, Capacity Building Project, School Retreat and Meeting on Mentoring and Career Development, The Collective to Strengthen Pathways for Health Research, Education Philanthropic Ecosystem Initiative, and Health and Wellness Justice Initiative. These programs added \$4,337,044 to grant revenue (with and without donor restrictions), and \$4,402,202 in expenses on PNY's statement of activities during 2025. These programs are temporary in nature and require the support of an organization with a 501(c)(3) designation to carry out their fiscal functions. Because these programs are temporary in nature, they could create significant variances in PNY's financial statements going forward.

Member Engagement and Network Building

PNY serves as a connector, consultant and problem solver for its members. PNY's staff connects members to their peers and to research, resources, and reports to answer a myriad of challenging questions ranging from deep technical aspects of philanthropy, such as grants management to the governance and engagement of board members and trustees. PNY also connects members. PNY facilitates peer professional networks and issue based working groups. These groups allow members to share real-life lessons and solutions, strengthen practice, navigate challenges and be more effective grantmakers.

Learning and Programs

PNY's learning programs convene and connect funders, seed critical conversations, and build members' capacities in their roles and in their work in the field. The organization designs robust learning opportunities that equip members to understand and adapt to shifting norms and emerging trends in the field. Programs help members develop their leadership, cultivate skills and implement new practices. Topics range from the professional and leadership development of grantmakers, to public policy and advocacy, to specific funding issues such as the arts, health, education, justice reform and the environment. PNY prioritizes programming that helps funders address root causes of inequity through their philanthropic practices and learning that helps members operationalize equity commitments internally.

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

1. Organization (*continued*)

Public Policy

PNY engages in public policy efforts that promote effective philanthropy and build stronger communities. The organization fosters relationships between members and local and federal officials to exchange knowledge and shape local, state and federal legislation; provides analysis, insights, and calls to action; and issues public policy statements supporting nonprofits and systemic change. PNY advocates for or against legislation affecting nonprofits and foundations, including presenting testimony, visiting elected officials and submitting amicus briefs.

Communications

The organization utilizes its communications to amplify learning from programs, lift the voices of members on critical issues, and share knowledge across the sector. PNY communications supports policy and advocacy efforts to build a stronger philanthropic and nonprofit ecosystem. PNY communications also provide members with insight and strategic advice to address immediate and long-term challenges facing the sector.

Fiscal Sponsorship

Fiscal sponsorship is a service PNY offers to strengthen the capacity of grant-making organizations to fulfill their respective missions to serve the public good. Charitable groups, projects, and donor collaborations are offered a tax-exempt home so they can focus on their mission and efficiently manage back-office operations. PNY provides administrative services such as accounting, human resources, and grants management, thereby enabling the sponsored project to focus on mission-related activities such as programming and fundraising.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

PNY considers all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase, to be cash equivalents. Restricted cash consists of a security deposit as required under the lease for office facilities which was returned upon the expiration of the lease in 2025.

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

2. Summary of Significant Accounting Policies *(continued)*

Fair Value of Financial Instruments

PNY follows U.S. GAAP guidance on fair value measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Investments Valuation and Income Recognition

Investments are carried at their fair value. Interest and dividend income is recorded when earned. Realized and unrealized gains and losses are included in the change in net assets.

Property and Equipment

Property and equipment are carried at cost if purchased, or if acquired by a gift, at their fair value at the date of the gift. PNY capitalizes additions to property and equipment for items that have a useful life greater than one year and are in excess of \$2,500. Office furniture and equipment are depreciated using the straight-line basis over the following estimated useful lives:

Leasehold improvements	Remaining life of lease
Furniture and fixtures	10 Years
Equipment	5 Years

Leases

PNY leases its facilities and determines if an arrangement is a lease at inception. Operating leases are included in right-of-use ("ROU") operating lease assets and operating lease payables on the accompanying statement 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 for the leases. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The lease does not provide an implicit borrowing rate. PNY uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU assets include any lease payments made and exclude lease incentives. Lease terms may include options to extend the lease and when it is reasonably certain that PNY will exercise that option, such amounts are included in ROU assets and lease liabilities. Lease expense for lease payments is recognized on a straight-line basis over the lease term. PNY's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

2. Summary of Significant Accounting Policies *(continued)*

Net Asset Presentation

Net assets are categorized as without donor restrictions and with donor restrictions.

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing Board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net Assets With Donor Restrictions - Funds that PNY may use in accordance with donor's restrictions for specific purposes or upon the passage of time or require PNY to maintain them in perpetuity.

Grants and Contributions Receivable

Grants and contributions receivable are stated at the amount PNY expects to collect from outstanding balances. Management provides for possible uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a reduction in grants and contributions receivable. As of December 31, 2025 and 2024, no allowance for doubtful accounts has been deemed necessary.

Contributions and Unconditional Promises to Give

Contributions and unconditional promises are recognized when the donor makes a promise to give that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When donor restrictions expire (i.e. when a purpose or time restriction is fulfilled), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Membership Dues

Membership support is recognized when an organization commits to join or continues their PNY membership, generally indicated by its dues payment. Membership dues are recognized as revenue over the applicable membership period which is on a semi-annual basis. Membership dues receivable, if any, are reported at their outstanding unpaid balances.

Membership dues contract balances were as follows:

	<u>1/1/2024</u>	<u>12/31/2024</u>	<u>12/31/2025</u>
Membership dues contract assets	\$ -	\$ -	\$ -
Membership dues contract liabilities	88,336	106,510	133,510

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

2. Summary of Significant Accounting Policies *(continued)*

Program Fees

Program fees are recognized when PNY satisfies a performance obligation by performing a service for a customer. The amount of revenue recognized reflects the consideration PNY expects to receive in exchange for satisfying distinct performance obligations.

Management Fees

PNY acts as a fiscal sponsor for various organizations and assesses an administrative fee between 8% and 9% on all fiscal sponsorship revenue received. This fee represents compensation for the administrative services provided to sponsored organizations. PNY recognizes 50% of the administrative fee when the revenue is received and defers the remaining 50% until the funds are completely distributed to the sponsored organization.

Management fees contract balances were as follows:

	<u>1/1/2024</u>	<u>12/31/2024</u>	<u>12/31/2025</u>
Management fees contract assets	\$ -	\$ -	\$ -
Management fees contract liabilities	42,533	159,921	217,292

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recorded at amortized cost less an allowance for credit losses that are not expected to be recovered. An allowance for credit losses is established for amounts where there exists doubt as to whether an amount will be fully collected. The determination of this allowance is an estimate based on PNY's historical experience, review of account balances and expectations relative to collections. Management has determined no allowance was necessary at December 31, 2025 and 2024.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Where feasible, PNY allocates its expenses directly to specific programs or functions. Additionally, PNY utilizes an indirect cost allocation methodology to allocate its expenses. The expenses that are allocated include salaries, benefits, and payroll taxes, which are allocated on the basis of monthly percentages of the total administrative allowable costs against the total program expenses. These monthly percentages are based on estimates of time and effort. Additionally, other expenses such as staff travel, consulting and rent are allocated across specific programs or functions based on an estimated percentage of time and effort spent by staff on the natural type of expense.

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

2. Summary of Significant Accounting Policies *(continued)*

Accounting for Uncertainty in Income Taxes

PNY recognizes the effect of income tax positions only when they are more likely than not to be sustained. Management has determined that PNY had no uncertain tax positions that would require financial statement recognition or disclosure. PNY is no longer subject to examinations by the applicable taxing jurisdictions for the periods prior to 2022.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is March 24, 2026.

3. Concentrations of Credit Risk

Financial instruments that potentially subject PNY to concentrations of credit and market risk consist principally of cash and cash equivalents and investments held at financial institutions. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") are insured up to \$250,000. Investment holdings at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to \$500,000 (\$250,000 for cash holdings). At times balances may exceed the FDIC and the SIPC limit.

At December 31, 2025, four funding sources accounted for approximately 85% of grants and contributions receivable. At December 31, 2024, two funding sources accounted for approximately 83% of grants and contributions receivables. In addition, during the year ended December 31, 2025, one funding source accounted for approximately 48% of grants and contributions revenue. During the year ended December 31, 2024, two funding sources accounted for approximately 56% of grants and contributions revenue.

4. Grants and Contributions Receivable

Grants and contributions receivable are due within one to two years. Management expects all receivables to be collected, accordingly, no allowance has been provided for. Grants and contributions receivable as of December 31, 2025 are summarized as follows:

2026	\$	1,190,000
2027		<u>100,000</u>
	\$	<u><u>1,290,000</u></u>

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

5. Fair Value Measurements

The following are major categories of investments at fair value on a recurring basis at December 31:

	<u>2025</u>	<u>2024</u>
Equity mutual funds (Level 1)	\$ 4,845,187	\$ 4,107,700
Corporate bonds (Level 2)	<u>533,726</u>	<u>918,017</u>
Total Investments at Fair Value	5,378,913	5,025,717
Money market funds, at cost	<u>410,130</u>	<u>8,649</u>
Total Investments	<u>\$ 5,789,043</u>	<u>\$ 5,034,366</u>

Investment return is composed of the following for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 279,330	\$ 245,877
Realized and unrealized gain on investments	510,049	331,068
Investment fees	<u>(2,504)</u>	<u>(4,643)</u>
Total	<u>\$ 786,875</u>	<u>\$ 572,302</u>

6. Property and Equipment

Property and equipment consist of the following at December 31:

	<u>2025</u>	<u>2024</u>
Furniture and fixtures	\$ -	\$ 693,460
Leasehold improvements	8,746	182,502
Equipment	<u>31,406</u>	<u>23,984</u>
Total Property and Equipment	40,152	899,946
Less: accumulated depreciation and amortization	<u>(28,811)</u>	<u>(850,267)</u>
Property and Equipment, net	<u>\$ 11,341</u>	<u>\$ 49,679</u>

During the years ended December 31, 2025 and 2024, PNY wrote off \$867,216 and \$166,389 of fully depreciated furniture and fixtures and leasehold improvements.

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

7. Net Assets With Donor Restrictions

PNY has been designated as a fiscal sponsor for various other programs, and has variance power over the funds.

The transactions in the net assets with donor restrictions during the years ended December 31, 2025 and 2024 were as follows:

	Balance at December 31, 2024	Additions	Net Assets Released from Restrictions	Balance at December 31, 2025
Membership Support	\$ 1,177,435	\$ 1,254,588	\$(1,177,435)	\$ 1,254,588
Board Chair Recognition Gift	16,000	-	(2,000)	14,000
New York Community Trust	-	10,000	(10,000)	-
Non-profit GPS	-	450,000	(272,700)	177,300
Clarity Not Certainty	-	100,000	(27,200)	72,800
Young Leaders Breakfast Club	5,000	-	(5,000)	-
Fund for 2025	<u>1,051,421</u>	<u>-</u>	<u>(1,051,421)</u>	<u>-</u>
Total	<u>2,249,856</u>	<u>1,814,588</u>	<u>(2,545,756)</u>	<u>1,518,688</u>
Fiscal Sponsor Projects				
New York Blacks in Philanthropy Network	915	-	-	915
Health and Wellness Justice Initiative	3,316	-	(3,316)	-
NYC Small Business Funders Collective	1,465,560	720,000	(1,060,883)	1,124,677
Cultural Community Initiative	-	57,000	(57,000)	-
Scholar Retreat and Meeting on Mentoring and Career Development	355,104	-	(343,070)	12,034
Capacity Building Project	1,228,924	-	(746,965)	481,959
The Collective To Strengthen Pathways for Health Research	-	160,044	(160,044)	-
Education Philanthropic Ecosystem Initiative	<u>327,386</u>	<u>3,400,000</u>	<u>(2,030,924)</u>	<u>1,696,462</u>
Total Fiscal Sponsor Projects	<u>3,381,205</u>	<u>4,337,044</u>	<u>(4,402,202)</u>	<u>3,316,047</u>
Time Restricted	<u>-</u>	<u>100,000</u>	<u>(50,000)</u>	<u>50,000</u>
	<u>\$ 5,631,061</u>	<u>\$ 6,251,632</u>	<u>\$(6,997,958)</u>	<u>\$ 4,884,735</u>

The Fund for 2025 time restrictions ended at the end of 2025 and PNY has released the remaining funds from restriction.

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

7. Net Assets With Donor Restrictions *(continued)*

	Balance at December 31, 2023	Additions	Net Assets Released from Restrictions	Balance at December 31, 2024
Membership Support	\$ 1,113,180	\$ 1,177,435	\$(1,113,180)	\$ 1,177,435
Board Chair Recognition Gift	16,000	-	-	16,000
Website Redesign	75,000	-	(75,000)	-
City Hall Engagement	61,953	25,000	(86,953)	-
Leading with Race Equity	25,000	-	(25,000)	-
Young Leaders Breakfast Club	-	10,000	(5,000)	5,000
Fund for 2025	1,205,857	-	(154,436)	1,051,421
Total	<u>2,496,990</u>	<u>1,212,435</u>	<u>(1,459,569)</u>	<u>2,249,856</u>
Fiscal Sponsor Projects				
New York Blacks in Philanthropy Network	915	-	-	915
Health and Wellness Justice Initiative	3,600	38,150	(38,434)	3,316
NYC Small Business Funders Collective	1,215,435	970,000	(719,875)	1,465,560
Cultural Community Initiative	594	69,500	(70,094)	-
Scholar Retreat and Meeting on Mentoring and Career Development	212,057	410,006	(266,959)	355,104
Capacity Building Project	-	1,915,000	(686,076)	1,228,924
Education Philanthropic Ecosystem Initiative	-	1,250,000	(922,614)	327,386
Total Fiscal Sponsor Projects	<u>1,432,601</u>	<u>4,652,656</u>	<u>(2,704,052)</u>	<u>3,381,205</u>
	<u>\$ 3,929,591</u>	<u>\$ 5,865,091</u>	<u>\$(4,163,621)</u>	<u>\$ 5,631,061</u>

Net assets with donor restrictions were released by incurring expenses satisfying the restricted purpose specified by the donor or as a result of the expiration of donor-imposed time restrictions.

8. Liquidity and Availability of Financial Assets

PNY's financial assets and resources available to meet cash needs for general expenditures within one year of the date of the statement of financial position was as follows as of December 31:

	<u>2025</u>	<u>2024</u>
Financial Assets		
Cash and cash equivalents	\$ 5,166,102	\$ 4,331,089
Investments, at fair value	5,789,043	5,034,366
Grants and contributions receivable	1,290,000	1,465,000
Accounts receivable	12,195	11,187
Total financial assets	<u>12,257,340</u>	<u>10,841,642</u>
Less: donor restrictions related to time or purpose	(4,884,735)	(5,631,061)
Board-designated reserve, operations and rent	<u>(3,455,465)</u>	<u>(3,034,052)</u>
	<u>(8,340,200)</u>	<u>(8,665,113)</u>
Total Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$ 3,917,140</u>	<u>\$ 2,176,529</u>

PNY strives to maintain liquid financial assets sufficient to cover 180 days of general expenditures. Management periodically reviews PNY's liquid asset needs and adjusts the cash and cash equivalents balances as necessary. Amounts in excess of operation liquidity needs are invested in various short-term and highly liquid securities.

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

8. Liquidity and Availability of Financial Assets *(continued)*

Additionally, PNY considers net assets with donor restrictions for use in current programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The governing Board's designated operating reserves are also available for general expenditures.

9. Board Designated Operating Reserve

The Board of Directors adopted a policy directing PNY to maintain a reserve of net assets without donor restrictions that will provide cash flow security in the event of a temporary shortfall; accommodate unusual or unforeseen emergency cash requirements or temporarily seed projects in anticipation of grant or special supporting funds. This amount is equivalent to approximately six months of operating expenses.

In the event that PNY needs to use reserve funds, management will alert the Finance and Executive Committees prior to withdrawing funds from the reserve; inform these Committees of the basis of the need and proposed timeframe to replenish the reserve and request the approval of the Executive Committee for the amount and use of the reserve funds.

In addition to the reserve, PNY may elect to designate a portion of the prior year's surplus towards the operations budget in the following year upon Board approval.

The transactions in the board designated during the years ended December 31, 2025 and 2024 were as follows:

	Board Designated Reserve	Board Designated Operations	Board Designated Future Rent	Total
Balance, December 31, 2023	\$ 1,876,052	\$ 150,000	\$ 838,000	\$ 2,864,052
Additions	-	320,000	-	320,000
Releases	-	(150,000)	-	(150,000)
Balance, December 31, 2024	1,876,052	320,000	838,000	3,034,052
Additions	111,413	320,000	400,000	831,413
Releases	-	(320,000)	(90,000)	(410,000)
Balance, December 31, 2025	<u>\$ 1,987,465</u>	<u>\$ 320,000</u>	<u>\$ 1,148,000</u>	<u>\$ 3,455,465</u>

10. Retirement Plan

PNY maintains a qualified defined contribution 403(b) retirement plan providing annuity retirement coverage for all eligible employees. Employer contributions total up to 13% of each participant's annual compensation for employees who have been with PNY for more than one year. Employer contributions during the years ended December 31, 2025 and 2024 amounted to \$233,187 and \$237,622.

11. Rental Income

On June 4, 2019, PNY entered into a sublease agreement for the premises at 1500 Broadway for the period July 19, 2019 to October 31, 2025. The agreement was undertaken by PNY to reduce or eliminate the organization's liability under the 1500 Broadway lease and cap the real estate tax burden at its current level. Lease amounts recognized during the years ended December 31, 2025 and 2024 is \$308,478 and \$394,172.

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

12. Lease Commitments

1500 Broadway

During September 2014, PNY entered into a ten-year five-month lease agreement for office space at 1500 Broadway, which commenced on June 22, 2015. PNY was required to provide a letter of credit as security equal to six months rent which is included in the 2024 statement of financial position as restricted cash. The lease provides for additional payments for real estate taxes and operating expenses. The lease was set to expire on November 22, 2025, however, PNY surrendered their lease on October 30, 2025.

320 East 43rd Street

During August 2018, PNY entered into a ten-year lease agreement with The Ford Foundation for office space at 320 East 43rd Street. The lease commencement date was January 11, 2019. During 2021, PNY amended the lease whereby PNY was granted an abatement of the fixed rent commencing on January 1, 2021 and ending on December 31, 2021. During the term of the amendment, PNY was not obligated to pay any fixed rent. PNY remained obligated to continue payment of all additional rent and any other charges payable by PNY under the lease.

The Ford Foundation agreed to reduce or eliminate PNY's current liability under the 1500 Broadway lease by adjusting the rent obligation to the 320 East 43rd Street lease. Subsequent to the termination of the 1500 Broadway lease, PNY and the Ford Foundation entered extended their lease for three years and three months with two five year options, one of which PNY is reasonably certain to exercise and has been included in ROU assets and lease liabilities. PNY recognized an additional ROU asset and lease liability of \$761,128 for the Ford Foundation lease during 2025.

At December 31, 2025, future minimum annual rental payments are as follows:

2026	\$	317,531
2027		323,882
2028		330,359
2029		339,456
2030		349,640
Thereafter		<u>1,209,339</u>
Total		2,870,207
Less: present value discount		<u>(439,550)</u>
Operating lease payable	\$	<u><u>2,430,657</u></u>

Philanthropy New York, Inc.

Notes to Financial Statements
December 31, 2025 and 2024

12. Lease Commitments (continued)

At December 31, 2025 and 2024, PNY had an operating lease liability of \$2,430,657 and \$2,368,072. The weighted average interest rate used in calculating the lease liability at December 31, 2025 and 2024 was approximately 4.04% and 1.49%. The weighted-average remaining lease term in years for the operating leases as of December 31, 2025 and 2024 was 8.25 and 3.64. For the years ended December 31, 2025 and 2024, supplemental cash flow information for cash paid for amounts included in the measurement of the lease liability from the operating lease included in operating cash flows amounted to \$742,335 and \$771,840. Rent expense for the years ended December 31, 2025 and 2024 totaled \$818,305 and \$861,928.

	<u>2025</u>	<u>2024</u>
Right of use - operating lease asset	\$ 5,254,798	\$ 4,493,670
Less accumulated amortization	<u>(3,225,591)</u>	<u>(2,451,078)</u>
	<u>\$ 2,029,207</u>	<u>\$ 2,042,592</u>

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