FINANCIAL REPORT

Audited

Good Counsel, Inc. and Subsidiary

December 31, 2025

Audited for:

Board of Directors

Good Counsel, Inc.

Audited by:

RBT CPAs, LLP

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Poughkeepsie, NY 12601

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LIMITED LIABILITY PARTNERSHIP
CERTIFIED PUBLIC ACCOUNTANTS BUSINESS DEVELOPMENT CONSULTANTS

Independent Auditor's Report

Board of Directors
Good Counsel, Inc. and Subsidiary
22 Linden Avenue
Spring Valley, NY 10977

Opinion

We have audited the consolidated financial statement of Good Counsel, Inc. and its subsidiary (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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 financial position of Good Counsel, Inc. and its subsidiary as of December 31, 2025, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Good Counsel, Inc. and its subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Good Counsel, Inc. and its subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of the Company, as of and for the year ended December 31, 2024, were audited by Day Seckler LLP, which subsequently merged into RBT CPAs, LLP. Day Seckler LLP's report, dated July 25, 2025, expressed an unmodified opinion on those statements.

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 consolidated 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 the Organization's ability to continue as a going concern within one year after the date the 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 the Organization'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 the Organization'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.

RBT CPAs, LLP
Poughkeepsie, NY
June 8, 2026

Good Counsel, Inc.
Consolidated Statements of Financial Position
As of December 31, 2025 and 2024

	Note	2025	2024
Assets			
Current Assets			
Cash and Cash Equivalents	3	$ 2,962,207	$ 2,821,297
Contributions Receivable		312,815	181,148
Prepaid Expenses		56,864	53,332
Total Current Assets		3,331,886	3,055,777
Non-Current Assets			
Property, Plant, and Equipment	5	1,344,505	1,203,660
Annuities	6	81,137	72,343
Educational Endowment	7	133,237	118,360
Right-of-Use Assets, Operating Leases	9	66,375	19,842
Cash Value Whole Life Insurance		335,449	329,942
Security Deposits		75,126	75,112
Total Non-Current Assets		2,035,829	1,819,259
Total Assets		$ 5,367,715	$ 4,875,036
Liabilities and Net Assets			
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Expenses	8	$ 328,288	$ 303,639
Due to Annuitant		52,804	55,250
Operating Lease Liabilities, Current Portion	9	29,229	18,135
Total Current Liabilities		410,321	377,024
Long-Term Liabilities			
Operating Lease Liabilities, Net of Current	9	37,927	4,853
Total Liabilities		448,248	381,877
Net Assets			
Net Assets with Donor Restrictions	10	669,154	513,289
Net Assets without Donor Restrictions		4,250,313	3,979,870
Net Assets		4,919,467	4,493,159
Total Liabilities and Net Assets		$ 5,367,715	$ 4,875,036

See accompanying notes to consolidated financial statements.

Good Counsel, Inc.
Consolidated Statements of Activities
For the years ended December 31, 2025 and 2024

	Note	Without Donor Restriction	With Donor Restriction	2025
Support and Revenues:				
Contribution Revenue		$ 4,092,225	$ 783,220	$ 4,875,445
Grant Revenue		84,383	260,000	344,383
Contributed Non-Financial Assets	11	119,760	-	119,760
Fees for Service Revenue		31,934	-	31,934
Special Events Revenue		1,172,499	-	1,172,499
Less: Direct Costs of Special Events		(216,505)	-	(216,505)
Increase in Cash Surrender Value		5,507	-	5,507
Net Assets Released from Restrictions		902,232	(902,232)	-
Total Support and Revenues		6,192,035	140,988	6,333,023
Expenses:				
Program Services		4,448,166	-	4,448,166
Management and General		321,714	-	321,714
Fundraising		1,244,609	-	1,244,609
Total Expenses		6,014,489	-	6,014,489
Nonoperating Activities:				
Net Investment Results		92,897	14,877	107,774
Total Nonoperating Activities		92,897	14,877	107,774
Changes in Net Assets		270,443	155,865	426,308
Net Assets at Beginning of Year		3,979,870	513,289	4,493,159
Net Assets at End of Year		$ 4,250,313	$ 669,154	$ 4,919,467

See accompanying notes to consolidated financial statements.

Good Counsel, Inc.
Consolidated Statements of Activities
For the years ended December 31, 2025 and 2024

	Note		Without Donor Restriction		With Donor Restriction		2024
Support and Revenues:							
Contribution Revenue		$	3,434,387	$	788,431	$	4,222,818
Grant Revenue			211,825		75,000		286,825
Contributed Non-Financial Assets	11		166,146		-		166,146
Fees for Service Revenue			53,611		-		53,611
Special Events Revenue			630,188		-		630,188
Less: Direct Costs of Special Events			(131,431)		-		(131,431)
Increase in Cash Surrender Value			21,305		-		21,305
Net Assets Released from Restrictions			795,324		(795,324)		
Total Support and Revenues			5,181,355		68,107		5,249,462
Expenses:							
Program Services			4,247,962		-		4,247,962
Management and General			312,118		-		312,118
Fundraising			1,144,221		-		1,144,221
Total Expenses			5,704,301		-		5,704,301
Nonoperating Activities:							
Net Investment Results			105,882		13,506		119,388
Total Nonoperating Activities			105,882		13,506		119,388
Changes in Net Assets			(417,064)		81,613		(335,451)
Net Assets at Beginning of Year			4,396,934		431,676		4,828,610
Net Assets at End of Year		$	3,979,870	$	513,289	$	4,493,159

See accompanying notes to consolidated financial statements.

Good Counsel, Inc.
Consolidated Statements of Functional Expenses
For the years ended December 31, 2025 and 2024

	Program	Management and General	Fundraising	2025
Salaries and Wages	$ 2,509,723	$ 178,157	$ 465,552	$ 3,153,432
Employee Benefits	781,202	55,658	132,710	969,570
Payroll Taxes	207,811	20,000	39,205	267,016
Automobile	11,937	-	-	11,937
Donated Goods and Services	119,760	-	-	119,760
Depreciation	79,121	-	-	79,121
Food	34,756	-	-	34,756
Fines and Penalties	600	-	-	600
Other Operating Expenses	11,950	1,881	6,565	20,396
Printing, Publications and Advocacy	31,520	5,319	135,218	172,057
Postage and Shipping	33,382	896	178,158	212,436
Fund Development Expenses	28,191	16,853	46,737	91,781
Credit Card Processing	8,718	-	49,400	58,118
Management Services	16,108	-	-	16,108
Office Supplies	106,436	3,891	27,863	138,190
Rent and Related Expenses	19,044	-	21,361	40,405
Repairs and Maintenance	97,758	-	3,668	101,426
Training	12,944	3,619	3,076	19,639
Auto and Travel	23,922	452	13,571	37,945
Utilities	96,372	-	1,936	98,308
Insurance	158,316	17,054	14,497	189,867
Professional Fees	58,595	17,934	105,092	181,621
Total Expenses	$ 4,448,166	$ 321,714	$ 1,244,609	$ 6,014,489

See accompanying notes to consolidated financial statements.

Good Counsel, Inc.
Consolidated Statements of Functional Expenses
For the years ended December 31, 2025 and 2024

	Program	Management and General	Fundraising	2024
Salaries and Wages	$ 2,387,194	$ 178,375	$ 455,083	$ 3,020,652
Employee Benefits	694,727	46,169	114,680	855,576
Payroll Taxes	191,798	25,453	49,333	266,584
Automobile	13,333	344	292	13,969
Donated Goods and Services	166,146	-	-	166,146
Depreciation	72,303	-	-	72,303
Food	33,702	-	-	33,702
Fines and Penalties	846	606	515	1,967
Other Operating Expenses	10,929	1,576	4,310	16,815
Printing, Publications and Advocacy	33,108	8,544	125,719	167,371
Postage and Shipping	24,992	360	133,660	159,012
Fund Development Expenses	33,979	13,145	43,558	90,682
Credit Card Processing	7,607	-	43,105	50,712
Management Services	16,652	-	-	16,652
Office Supplies	80,927	6,513	22,710	110,150
Rent and Related Expenses	20,590	-	26,274	46,864
Repairs and Maintenance	82,784	-	1,146	83,930
Training	3,914	325	309	4,548
Auto and Travel	22,682	538	18,088	41,308
Utilities	101,162	-	1,704	102,866
Insurance	194,055	10,886	26,681	231,622
Professional Fees	54,532	19,284	77,054	150,870
Total Expenses	$ 4,247,962	$ 312,118	$ 1,144,221	$ 5,704,301

See accompanying notes to consolidated financial statements.

Good Counsel, Inc.
Consolidated Statements of Cash Flows
For the years ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in Net Assets	$ 426,308	$ (335,451)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By (Used In) Operating Activities		
Depreciation	79,121	72,303
Net Realized and Unrealized Gain on Investments	(23,671)	(12,172)
(Increase) decrease in operating assets:		
Contributions Receivable	(131,667)	221,415
Prepaid Expenses	(3,532)	1,028
Security Deposit	(14)	(14)
Cash Value Whole Life Insurance	(5,507)	(21,305)
Right of Use Assets	31,044	36,897
Increase (decrease) in operating liabilities:		
Accounts Payable and Accrued Expenses	24,649	34,028
Operating Lease Liability	(33,409)	(37,256)
Total Adjustments to Reconcile Change in Net Assets to Net Cash Provided By (Used In) Operating Activities	(62,986)	294,924
Net Cash Provided By (Used In) Operating Activities	363,322	(40,527)
Cash Flows from Investing Activities		
Purchase of Property, Plant, and Equipment	(219,966)	(151,103)
Payments to Annuitant	(2,446)	(5,900)
Net Cash Used In Investing Activities	(222,412)	(157,003)
Net Increase (Decrease) in Cash and Cash Equivalents	140,910	(197,530)
Cash and Cash Equivalents at Beginning of Year	2,821,297	3,018,827
Cash and Cash Equivalents at End of Year	$ 2,962,207	$ 2,821,297

Supplemental Cash Flow Information

During the year ended December 31, 2025, the Organization entered into one new operating lease with a ROU asset and liability of $77,577.

See accompanying notes to consolidated financial statements.

1. Nature of Organization

Good Counsel, Inc. (the “Organization”) is a not-for-profit organization rooted in the first principles of Catholic morality concerning the dignity of every human person. The Organization has homes for mothers and children in the New York communities of Spring Valley, Bronx, Staten Island, and in New Jersey outside the city of Camden in Riverside. Food, clothing, other personal items and most of the babies’ needs, along with counseling are provided to the residents. Additional outreach programs are found in New York and New Jersey.

The Organization maintains administrative offices in Spring Valley, New York and Secaucus, New Jersey. The Organization derives its revenue primarily from public donations, special events and grants.

Evangelium Vitae Housing Development Fund Corporation (the “Subsidiary”), of which the Organization is the sole member, was formed to acquire the property in Bronx, New York in order for the Organization to provide a safe home for pregnant and homeless mothers and babies.

The Organization is exempt from Federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. Evangelium Vitae Housing Development Fund Corporation is a for profit company subject to Federal and state income taxes.

2. Summary of Significant Accounting Policies

a. Principles of Consolidation

The consolidated financial statements include the accounts of Good Counsel, Inc. and its wholly-owned, controlled subsidiary, Evangelium Vitae Housing Development Fund Corporation. All intercompany accounts and transactions have been eliminated in consolidation.

b. Basis of Accounting

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

c. Use of Estimates

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

2. Summary of Significant Accounting Policies (Continued)

d. Reclassifications

Certain amounts in the prior year consolidated financial statements have been reclassified to conform to the current period presentation. These reclassifications had no effect on net assets.

e. Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. At December 31, 2025 and 2024, cash equivalents consisted primarily of money market accounts.

The Organization maintains cash balances at U.S. banks, which are insured by the Federal Deposit Insurance Corporation (FDIC) for up to $250,000 for each institution. The Organization's cash balances at times exceeded federally insured limits. The Organization has not experienced any losses and does not believe it is exposed to any significant credit risk on cash and cash equivalents. At December 31, 2025, the Organization's cash accounts exceeded federally insured limits by approximately $2,430,000.

f. Contributions Receivable

Unconditional written promises to give (contributions) are recognized as an asset and contribution revenue in the period received. Promises to give are recorded at net realizable value and are discounted at an appropriate rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible promises to give is estimated by the Organization based on factors such as historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectible. Conditional promises to give are recognized when the conditions on which they depend, which consist of both a barrier and a right of return or release, are met.

g. Endowment

The Organization's donor restricted endowment consists of one educational fund. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

2. Summary of Significant Accounting Policies (Continued)

h. Charitable Gift Annuities

The Organization is a beneficiary under certain charitable gift annuities, where the Organization receives immediate and unrestricted title to contributed assets and agrees to make fixed recurring payments over the stipulated period. Contributed assets are recorded at the fair value on the date of receipt. As of December 31, 2025 and 2024, the balance of the investments were $81,137 and $72,343, respectively.

The related liability is recorded at fair value using present value techniques and risk adjusted discount rates designated to reflect the net present value of the actuarially expected annuity payments. The liability for future payments to the donor is reduced by payments made to the donor during the year and is adjusted to reflect the changes in the fair value of the liability at the end of the year. The liabilities as of December 31, 2025 and 2024 were $52,804 and $55,250, respectively.

i. Investments

Investments are reported at fair value. Adjustments to reflect increases or decreases in fair value, referred to as unrealized gains and losses, are reported in the consolidated statement of activities.

Gains and losses on the sale of investments are determined using the specific identification method. Realized gains and losses arising from the sale of investments and ordinary income from investments are reported as changes in net assets without donor restrictions unless their use is restricted by explicit donor-imposed stipulations or law. Dividend and interest income are accrued as earned. Income and net gains (losses) on investment of endowment funds are reported in the consolidated statement of activities as follows:

- As increases (decreases) in net assets with donor restrictions if the terms of the gift that gave rise to the investment require that they be added to the principal of a permanent endowment fund; or
- As increases (decreases) in net assets without donor restrictions in all other cases.

The investment portfolio is managed by professional investment advisors and managers in accordance with the Organization’s investment policy.

2. Summary of Significant Accounting Policies (Continued)

j. Property, Plant, and Equipment

Property, plant, and equipment is recorded at cost. Expenditures for additions, improvements, and other enhancements to property, plant, and equipment that are over $5,000 and significantly extend the life of the asset are capitalized. Minor replacements, maintenance, and repairs that do not extend asset life or add value are charged to expense as incurred. When property, plant, and equipment assets are retired or otherwise disposed of, the related cost and accumulated depreciation is removed from the accounts and any resulting gain or loss is included in results of operations.

In general, depreciation is the systematic and rational allocation of an asset's cost, less its residual value (if any), to the periods it benefits. Property, plant, and equipment is depreciated using the straight-line method, which results in depreciation expense being incurred evenly over the life of an asset. The estimated useful lives range from 3 - 40 years. The Organization's estimate of depreciation expense incorporates management assumptions regarding the useful economic lives and residual values of the Organization's assets.

The Organization reports gifts of property, plant, and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. The Organization reclassifies net assets with donor restrictions to assets without donor restrictions at that time.

k. Leasehold Improvements

Leasehold improvements are recorded as components of property, plant, and equipment. The cost of leasehold improvements is charged to earnings using the straight-line method over the shorter of (i) the remaining lease term or (ii) the estimated useful lives of the improvements. The Organization considers renewal terms that are deemed reasonably assured when estimating remaining lease terms.

2. Summary of Significant Accounting Policies (Continued)

l. Leases

The Organization determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Center also considers whether its service arrangements include the right to control the use of an asset.

The Organization recognizes most leases on its balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the income statement.

The Organization made an accounting policy election not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. The Organization has also elected not to apply ASC 842 requirements to immaterial leases. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Organization made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

m. Net Assets

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors (the Board). Net assets without donor restrictions include net assets designated by the board for specific purposes.

2. Summary of Significant Accounting Policies (Continued)

m. Net Assets (Continued)

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. All net assets restricted by donors as to either timing or purpose of the related expenditures or required to be maintained in perpetuity as a source of investment income are accounted for in net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

n. Contributions and Grants

Contributions - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a 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 statement of activities as net assets released from restrictions.

Grants - Grants are deemed to be nonexchange (nonreciprocal) transactions and fall under the contribution accounting guidance. Under this guidance, revenue related to conditional grants and contracts is recorded when the conditions are met.

Contributed Nonfinancial Assets - Contributed nonfinancial assets are recorded at fair value at the date of donation. Contributions of services are reported as revenue only if the services create or enhance a nonfinancial asset or would typically need to be purchased by the Organization if they had not been provided by contribution, require specialized skills, and are provided by individuals with those skills. See Note 11 for additional disclosure.

2. Summary of Significant Accounting Policies (Continued)

o. Functional Allocation of Expenses

The costs of providing the Organization's program and other activities have been summarized on a functional basis in the consolidated statement of activities. Expenses related directly to program services or supporting activities are charged directly while other expenses that are common to several functions are allocated based on management's estimates, among major classes of programs services and supporting activities. Salaries and related expenses have been allocated based on the actual time spent by employees on various activities. Direct costs are allocated to the function that receives the incurred expense. Accordingly, certain costs have been allocated among program, management and general, and fundraising activities.

p. Advertising Costs

Advertising costs are expensed as incurred. Advertising expense was $172,057 and $167,371 in 2025 and 2024, respectively.

q. Income Taxes

The Organization is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on trade or business profits generated by activities related to the Organization's exempt function. The Organization may be subject to federal and state income taxes for profits generated from trade or business activities unrelated to the Organization's exempt function. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status, identify and report unrelated business income, and determine its filing and tax obligations in jurisdictions for which it has nexus. As of December 31, 2025 and 2024, the Organization believes that it has not generated any unrelated business taxable income.

Generally, the Organization is no longer subject to U.S. federal, state, and local or non-U.S. income tax examinations by tax authorities for years before 2022.

r. Measure of Operations and Performance Indicator

The Organization divides its consolidated statement of activities into operating and non-operating activities. The operating activities of the Organization include all income and expenses related to carrying out its mission. Operating revenues include public support, program service revenue, special events, donated goods and services, grants, increase in cash surrender value and net assets released from restrictions. Interest and dividend income, capital gains and realized and unrealized investment gains (losses) are considered non-operating activities.

2. Summary of Significant Accounting Policies (Continued)

s. Fair Value Measurements

The Organization measures certain financial instruments at fair value on a recurring basis at each reporting period. Certain assets are measured at fair value on a nonrecurring basis annually or when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Fair value is estimated as the amount that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value estimates involve uncertainty and significant judgment regarding interest rates, credit risk, prepayments, and other factors, especially when quoted prices are unavailable. Changes in assumptions or market conditions could significantly affect these estimates.

Fair Value Hierarchy

Assets and liabilities recorded at fair value are measured and classified in accordance with a fair value hierarchy consisting of three “levels” based on the observability of valuation inputs:

- **Level 1:** Fair value measurements based on quoted prices (unadjusted) in active markets that the Organization has the ability to access for identical assets or liabilities. Market price data generally is obtained from exchange or dealer markets. The Organization does not adjust the quoted price for such instruments.

- **Level 2:** Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

- **Level 3:** Fair value measurements based on valuation techniques that use significant unobservable inputs. Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability. Therefore, the Organization must make certain assumptions about the inputs a hypothetical market participant would use to value that asset or liability.

2. Summary of Significant Accounting Policies (Continued)

s. Fair Value Measurements (Continued)

The Organization maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Financial instruments with quoted prices in active markets generally have more pricing observability and require less judgment in measuring fair value. Conversely, financial instruments for which no quoted prices are available have less observability and are measured at fair value using valuation models or other pricing techniques that require more judgment. Pricing observability is affected by a number of factors, including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction, liquidity and general market conditions.

In certain cases, the inputs used to measure the fair value of an asset or liability may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

t. Subsequent Events

The Organization's management evaluated events that occurred after December 31, 2025 through June 8, 2026, the date when the consolidated financial statements were available to be issued.

3. Cash and Cash Equivalents

Cash and cash equivalents consisted of the following as of December 31:

	2025	2024
Cash	$ 1,010,759	$ 1,158,001
Money Market Funds	1,951,448	1,663,296
Total Cash and Cash Equivalents	$ 2,962,207	$ 2,821,297

4. Liquidity and Availability of Resources

The Organization's financial assets available for general use at December 31, consisted of the following:

	2025	2024
Cash and Cash Equivalents	$ 2,962,207	$ 2,821,297
Contributions Receivable	312,815	181,148
Endowment	133,237	118,360
Total Cash and Cash Equivalents	3,408,259	3,120,805
Less:		
Net Assets with Donor Restrictions	(669,154)	(513,289)
Financial Assets Available to meet Cash Needs for General Expenditures within One Year	$ 2,739,105	$ 2,607,516

The Organization's working capital and cash flows fluctuate during the year due to the timing of cash receipts and major contributions. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

5. Property, Plant, and Equipment

The historical costs of the Organization's property, plant, and equipment and related accumulated depreciation balances at December 31 were as follows:

	2025	2024
Buildings and Improvements	$ 1,482,980	$ 1,428,330
Leasehold Improvements	784,098	767,233
Vehicles	322,846	205,458
Furniture and Fixtures	765,679	734,616
Property, Plant, and Equipment, Gross	3,355,603	3,135,637
Less Accumulated Depreciation	(2,011,098)	(1,931,977)
Property, Plant, and Equipment, Net	$ 1,344,505	$ 1,203,660

Depreciation expense related to property, plant, and equipment was $79,121 and $72,303 for the years ended December 31, 2025 and 2024, respectively.

6. Investments

Investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available.

All of the Organization’s investment assets are classified within Level 1 because they comprise open-end mutual funds with readily determinable fair values based on daily redemption values.

The following is a summary of investments held categorized by the fair value hierarchy at December 31:

	2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	2024	Quoted Prices in Active Markets for Identical Assets (Level 1)
Cash and Cash Equivalents	$ 1,017	$ 1,017	$ 2,505	$ 2,505
Mutual Funds	213,357	213,357	188,198	188,198
Total	$ 214,374	$ 214,374	$ 190,703	$ 190,703

The following schedule depicts how investments are presented on the balance sheet as of December 31:

	2025	2024
Annuities	$ 81,137	$ 72,343
Educational Endowment	133,237	118,360
Total	$ 214,374	$ 190,703

7. Endowment

The Organization's endowment consists of funds established for providing educational funding for mothers that the Organization serves over a period of ten to fifteen years. Net assets associated with endowment funds, including funds designated by the governing board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization's Board of Directors has interpreted the enacted version of Uniform Prudent Management of Institutional Funds Act (UPMIFA) as allowing the Organization to appropriate for expenditure or accumulate so much of an endowment fund as the Organization determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise in the gift instrument, the assets in an endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board of Directors.

The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

7. Endowment (Continued)

Endowment net asset composition by type of fund consisted of the following as of December 31:

		Opening Balance		Accumulated Gains (Losses)		Gifted Funds		Total With Donor Restrictions
2025								
Donor Restricted Endowment Funds:								
Educational Funds	$	118,360	$	14,877	$	-	$	133,237
Total Endowment Net Assets		118,360		14,877		-		133,237
2024								
Donor Restricted Endowment Funds:								
Educational Funds		104,854		13,506		-		118,360
Total Endowment Net Assets	$	104,854	$	13,506	$	-	$	118,360

8. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consisted of the following as of December 31:

		2025		2024
Accounts Payable	$	72,236	$	62,685
Accrued Payroll and Employee Benefits		159,359		131,734
Accrued Vacation		71,342		78,368
Accrued Expenses		25,351		30,852
Total Accounts Payable and Accrued Expenses	$	328,288	$	303,639

9. Leases

The Organization has operating lease agreements for facilities and offices at 38 Wiman Rd, Staten Island, NY with monthly payments for the period of January 2022 through August 2026. The Organization also leases a facility at 600 Meadowlands Pkwy, Secaucus, NJ with monthly payments for the period of January 2022 through May 2028. The Organization's operating leases do not contain any material restrictive covenants or residual value guarantees.

Components of lease expense were as follows for the years ended December 31:

	2025	2024
Operating Leases:		
Operating Lease ROU Assets	$ 66,375	$ 19,842
Current Portion of Operating Lease Liabilities	29,229	18,135
Long-term Portion of Operating Lease Liabilities	37,927	4,853
Total Operating Lease Liabilities	$ 67,156	$ 22,988

The components of operating lease expenses in the consolidated statement of activities for the years ended December 31, 2025 and 2024 were as follows:

	2025	2024
Operating Lease Cost	$ 33,605	$ 38,096
Short-term Lease Cost	6,000	-
Total Operating Lease Cost	$ 39,605	$ 38,096

Information regarding lease terms and discount rates as of December 31 is as follows:

	2025	2024
Weighted-average remaining lease term (years):		
Operating leases	2.29	1.00
Weighted-average discount rate (%):		
Operating leases	4.68	3.88

9. Leases (Continued)

Maturities of lease liabilities are as follows as of December 31, 2025:

Year		**Operating Leases**
2026	$	29,229
2027		27,505
2028		14,016
Total Lease Payments		70,750
Less Imputed Interest		3,594
Total Lease Liabilities		67,156
Less: Current Portion of Operating Lease Liabilities		29,229
Long-Term Portion of Operating Lease Liabilities	$	37,927

10. Net Assets With Donor Restrictions

Net assets with donor restrictions were available for the following purposes as of December 31:

		2025		**2024**
Subject to Expenditures for Specified Purpose:				
Operations for the South Jersey Program	$	337,654	$	292,618
Support for Growth Plan and Bronx Home Renovations		-		71,392
Updating Technology and Facilities of all Four Residential Homes		19,864		5,145
Operations for the Long Island Program		118,399		25,774
Software Upgrades and Implementation		60,000		-
Total Net Assets Subject to Expenditures for Specified Purpose		535,917		394,929
Subject to Restriction in Perpetuity:				
Endowment Funds Restricted in Perpetuity		133,237		118,360
Total Net Assets with Donor Restrictions	$	669,154	$	513,289

10. Net Assets With Donor Restrictions (Continued)

The sources of net assets released from restrictions were as follows for the years ended December 31:

	2025	2024
South Jersey Program	$ 767,041	$ 591,398
Updating Facilities of all Four Residential Homes	35,281	47,632
Support for Growth Plan and Bronx Home Renovations	71,392	156,294
Long Island Program	28,518	-
Total Net Assets Released from Restrictions	$ 902,232	$ 795,324

11. Contributed Non-Financial Assets

Contributed nonfinancial assets recognized in the consolidated statement of activities consisted of the following:

As of December 31	2025	2024
Rent	$ 24,000	$ 24,000
Food	32,730	102,146
Pro Bono Attorney	25,000	40,000
Donated Goods	36,190	-
Gift Cards and Miscellaneous Donations	1,840	-
Total	$ 119,760	$ 166,146

Contributed rent is provided by landlords for the use of housing and administrative offices. Contributed rent is used for program and fundraising activities and is recognized at fair value based on current rates.

Contributed food, supplies and furniture are valued using estimated U.S. wholesale prices of identical or similar products using pricing data under a “like-kind” methodology considering the goods’ condition and utility for the use at the time of the contribution. Contributed food, supplies and furniture are used in program services.

11. Contributed Non-Financial Assets (Continued)

Contributed legal services are provided by attorneys who advise the Organization on various administrative legal and legislative matters. Contributed legal services are used for program and fundraising activities and are recognized at fair value based on current rates for similar legal services.

All gifts-in-kind received during the year ended December 31, 2025 and 2024 were unrestricted.