



FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY



Consolidated Financial Statements with Supplementary Information (Together with Independent Auditors' Report)

Years Ended June 30, 2025 and 2024

FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY

**CONSOLIDATED FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
(Together with Independent Auditors' Report)**

YEARS ENDED JUNE 30, 2025 AND 2024

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CBIZ CPAs P.C.

685 Third Avenue
New York, NY 10017

P: 212.503.8800

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Food Bank For New York City and Subsidiary
New York, NY

Opinion

We have audited the consolidated financial statements of Food Bank For New York City and Subsidiary (collectively, "FBNYC"), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Food Bank For New York City and Subsidiary as of June 30, 2025 and 2024, and the changes in their net assets and their 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of FBNYC 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 Consolidated 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 FBNYC's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 FBNYC'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 FBNYC'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information (shown on pages 21-22) is presented for purposes of additional analysis of the financial statements rather than to present the financial position and changes in net assets of the individual companies and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

CBIZ CPAs P.C.

New York, NY
February 27, 2026

FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
Cash and cash equivalents (Notes 2C and 16)	\$ 3,816,112	\$ 7,894,996
Investments (Notes 2E, 2F, 4, 5 and 12B)	9,543,905	8,164,179
Government grants receivable (Note 2I)	17,387,248	16,850,492
Contributions receivable, net (Notes 2D and 7)	2,114,838	1,166,702
Accounts receivable, net (Note 2D)	366,885	442,415
Purchased products inventory (Notes 2K and 9)	151,886	58,020
Donated products inventory (Notes 2J, 2L and 9)	1,741,835	3,167,411
Prepaid expenses and other assets	1,463,870	1,184,540
Property and equipment, net (Notes 2G and 6)	10,464,113	10,468,099
Operating lease right-of-use assets (Note 14)	27,941,329	30,103,342
Finance lease right-of-use assets (Note 14)	81,414	135,612
TOTAL ASSETS	\$ 75,073,435	\$ 79,635,808
LIABILITIES		
Accounts payable and accrued expenses (Note 12B)	\$ 6,076,137	\$ 4,500,257
Accrued salaries	1,241,638	1,158,128
Accrued vacation	727,629	733,997
Government contract advances (Note 2I)	-	1,529,682
Operating lease liabilities (Note 14)	27,994,717	30,315,288
Finance lease liabilities (Note 14)	87,712	141,569
TOTAL LIABILITIES	36,127,833	38,378,921
COMMITMENTS AND CONTINGENCIES (Note 15)		
NET ASSETS (Note 2B)		
Net assets without donor restrictions:		
Operations	17,501,933	20,370,553
Board-designated (Note 11)	7,288,532	7,288,532
Net investment in property and equipment	10,464,113	10,468,099
Total net assets without donor restrictions	35,254,578	38,127,184
Net assets with donor restrictions (Note 11)	3,691,024	3,129,703
TOTAL NET ASSETS	38,945,602	41,256,887
TOTAL LIABILITIES AND NET ASSETS	\$ 75,073,435	\$ 79,635,808

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

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>Year Ended June 30, 2025</u>			<u>Year Ended June 30, 2024</u>		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Consolidated Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Consolidated Total</u>
PUBLIC SUPPORT AND REVENUE (Note 2H):						
Contributions - foundations and corporations (Note 2D)	\$ 5,758,036	\$ 5,045,661	\$ 10,803,697	\$ 6,542,088	\$ 4,170,942	\$ 10,713,030
Contributions - individuals (Note 2D)	21,598,305	100,000	21,698,305	16,910,912	1,586,702	18,497,614
Special and other events (net of direct expenses of \$567,177 and \$564,427 in 2025 and 2024), respectively (Note 2M)	827,525	-	827,525	646,733	-	646,733
Government contracts (Notes 2I and 8)	35,076,044	-	35,076,044	36,586,280	-	36,586,280
Donated food received and contributions-in-kind (Notes 2J, 2L and 9)	104,767,150	-	104,767,150	126,587,801	-	126,587,801
Sale of food and paper products (Note 2K)	2,080,231	-	2,080,231	2,330,727	-	2,330,727
Investment activity (Notes 2E and 4)	458,164	2,066	460,230	599,460	2,305	601,765
Other income	36,687	-	36,687	297,658	-	297,658
Net assets released from restrictions (Notes 2B and 11)	4,586,406	(4,586,406)	-	5,572,507	(5,572,507)	-
TOTAL PUBLIC SUPPORT AND REVENUE	<u>175,188,548</u>	<u>561,321</u>	<u>175,749,869</u>	<u>196,074,166</u>	<u>187,442</u>	<u>196,261,608</u>
EXPENSES (Notes 2H and 2P):						
Program services:						
Distribution and food storage	148,960,914	-	148,960,914	168,993,951	-	168,993,951
Research and policy	929,566	-	929,566	795,216	-	795,216
Food and nutrition services	2,226,733	-	2,226,733	2,852,990	-	2,852,990
Community kitchen and food pantry	2,141,549	-	2,141,549	1,704,180	-	1,704,180
Income support services	1,557,442	-	1,557,442	2,406,914	-	2,406,914
Food and benefits access	1,174,579	-	1,174,579	1,301,168	-	1,301,168
Total program services	<u>156,990,783</u>	<u>-</u>	<u>156,990,783</u>	<u>178,054,419</u>	<u>-</u>	<u>178,054,419</u>
Supporting services:						
Management and general	11,707,908	-	11,707,908	11,534,512	-	11,534,512
Fundraising	9,362,463	-	9,362,463	9,275,068	-	9,275,068
Total supporting services	<u>21,070,371</u>	<u>-</u>	<u>21,070,371</u>	<u>20,809,580</u>	<u>-</u>	<u>20,809,580</u>
TOTAL EXPENSES	<u>178,061,154</u>	<u>-</u>	<u>178,061,154</u>	<u>198,863,999</u>	<u>-</u>	<u>198,863,999</u>
CHANGE IN NET ASSETS	(2,872,606)	561,321	(2,311,285)	(2,789,833)	187,442	(2,602,391)
Net assets - beginning of year	<u>38,127,184</u>	<u>3,129,703</u>	<u>41,256,887</u>	<u>40,917,017</u>	<u>2,942,261</u>	<u>43,859,278</u>
NET ASSETS - END OF YEAR	<u>\$ 35,254,578</u>	<u>\$ 3,691,024</u>	<u>\$ 38,945,602</u>	<u>\$ 38,127,184</u>	<u>\$ 3,129,703</u>	<u>\$ 41,256,887</u>

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

FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	Program Services						Supporting Services		Total Supporting Services	Total 2025	Total 2024	
	Distribution and Food Storage	Research and Policy	Food and Nutrition Services	Community Kitchen and Food Pantry	Income Support Services	Food and Benefits Access	Total Program Services	Management and General				Fundraising
Salaries	\$ 8,530,196	\$ 629,826	\$ 880,820	\$ 633,123	\$ 443,445	\$ 634,400	\$ 11,751,810	\$ 4,875,424	\$ 5,014,119	\$ 9,889,543	\$ 21,641,353	\$ 21,568,939
Temporary labor - staffing agencies	726,094	-	88,145	278,615	-	-	1,092,854	103	52	155	1,093,009	1,594,058
Payroll taxes and employee benefits (Note 12)	2,414,935	204,854	330,609	202,845	172,179	259,807	3,585,229	1,420,818	1,315,772	2,736,590	6,321,819	5,395,531
Total salaries and related costs	11,671,225	834,680	1,299,574	1,114,583	615,624	894,207	16,429,893	6,296,345	6,329,943	12,626,288	29,056,181	28,558,528
Donated food distributed (Notes 2J, 2K, 2L and 9)	105,740,582	-	-	149,298	-	-	105,889,880	-	-	-	105,889,880	125,244,714
Food purchased for distribution (Note 9)	21,028,100	-	-	145,956	-	-	21,174,056	-	-	-	21,174,056	22,086,460
Consultant and professional fees	106,956	-	-	148,247	-	-	255,203	1,725,206	695,738	2,420,944	2,676,147	2,748,342
Donated consultants, legal and other (Note 2L)	-	-	-	-	-	-	-	268,508	-	268,508	268,508	438,174
Facilitated meals and related costs (Note 13)	1,376,943	-	-	-	-	-	1,376,943	-	-	-	1,376,943	1,358,071
Transportation costs	3,729,973	-	-	-	-	-	3,729,973	-	-	-	3,729,973	3,679,404
Direct mail costs	-	-	-	-	-	-	-	-	1,117,630	1,117,630	1,117,630	1,237,939
Fundraising and other engagement events	-	799	-	2,658	-	-	3,457	-	885,604	885,604	889,061	869,228
Facilities and maintenance (Note 14)	2,873,361	16,515	44,313	251,008	13,763	30,278	3,229,238	277,729	115,606	393,335	3,622,573	3,633,231
Warehouse operating expenses	727,482	-	-	19,609	-	-	747,091	-	1,675	1,675	748,766	755,340
Business technology expenses	423,185	17,790	56,664	57,019	30,961	55,480	641,099	479,535	296,608	776,143	1,417,242	1,377,297
Grant expense (Note 13)	380,100	-	23,100	-	43,658	160,148	607,006	-	-	-	607,006	1,450,355
Other program expenses	11,536	2,684	766,715	68,597	834,000	4,756	1,688,288	3,641	7,453	11,094	1,699,382	2,074,627
Bad debt	-	-	-	-	-	-	-	32,595	-	32,595	32,595	-
Interest (Note 2O)	2,430	-	-	-	-	-	2,430	4,616	-	4,616	7,046	38,774
Media outreach and marketing	-	23,460	-	-	2,691	-	26,151	1,060,859	15,490	1,076,349	1,102,500	899,423
Insurance	-	-	-	-	-	-	-	628,201	-	628,201	628,201	518,388
Other expenses	189,804	23,670	11,447	4,894	8,438	11,435	249,688	761,426	394,117	1,155,543	1,405,231	1,459,393
Total expenses before depreciation and amortization and cost of direct benefits to donors	148,261,677	919,598	2,201,813	1,961,869	1,549,135	1,156,304	156,050,396	11,538,661	9,859,864	21,398,525	177,448,921	198,427,688
Amortization expense - finance leases (Note 14)	35,164	-	-	-	-	-	35,164	61,260	-	61,260	96,424	136,038
Depreciation and amortization (Notes 2G and 6)	664,073	9,968	24,920	179,680	8,307	18,275	905,223	107,987	69,776	177,763	1,082,986	864,700
Sub-total	148,960,914	929,566	2,226,733	2,141,549	1,557,442	1,174,579	156,990,783	11,707,908	9,929,640	21,637,548	178,628,331	199,428,426
Less: cost of direct benefits to donors (Note 2M)	-	-	-	-	-	-	-	-	(567,177)	(567,177)	(567,177)	(564,427)
TOTAL EXPENSES	\$ 148,960,914	\$ 929,566	\$ 2,226,733	\$ 2,141,549	\$ 1,557,442	\$ 1,174,579	\$ 156,990,783	\$ 11,707,908	\$ 9,362,463	\$ 21,070,371	\$ 178,061,154	\$ 198,863,999

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

FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Program Services						Total Program Services	Supporting Services		Total Supporting Services	Total 2024
	Distribution and Food Storage	Research and Policy	Food and Nutrition Services	Community Kitchen and Food Pantry	Income Support Services	Food and Benefits Access		Management and General	Fundraising		
Salaries	\$ 8,188,513	\$ 558,996	\$ 1,063,797	\$ 741,615	\$ 579,701	\$ 681,864	\$ 11,814,486	\$ 5,019,486	\$ 4,734,967	\$ 9,754,453	\$ 21,568,939
Temporary labor - staffing agencies	939,479	25,589	389,741	119,709	-	29,708	1,504,226	46,903	42,929	89,832	1,594,058
Payroll taxes and employee benefits (Note 12)	<u>1,972,880</u>	<u>119,812</u>	<u>326,806</u>	<u>207,904</u>	<u>217,475</u>	<u>263,918</u>	<u>3,108,795</u>	<u>1,164,326</u>	<u>1,122,410</u>	<u>2,286,736</u>	<u>5,395,531</u>
Total salaries and related costs	11,100,872	704,397	1,780,344	1,069,228	797,176	975,490	16,427,507	6,230,715	5,900,306	12,131,021	28,558,528
Donated food distributed (Notes 2J, 2K, 2L and 9)	125,244,714	-	-	-	-	-	125,244,714	-	-	-	125,244,714
Food purchased for distribution (Note 9)	22,081,666	-	-	-	-	4,794	22,086,460	-	-	-	22,086,460
Consultant and professional fees	88,695	-	15,264	146,991	15,932	15,264	282,146	1,792,876	673,320	2,466,196	2,748,342
Donated consultants, legal and other (Note 2L)	-	-	-	-	-	-	-	14,624	423,550	438,174	438,174
Facilitated meals and related costs (Note 13)	1,358,071	-	-	-	-	-	1,358,071	-	-	-	1,358,071
Transportation costs	3,679,404	-	-	-	-	-	3,679,404	-	-	-	3,679,404
Direct mail costs	-	-	-	-	-	-	-	-	1,237,939	1,237,939	1,237,939
Fundraising and other engagement events	16,472	103	-	2,388	-	-	18,963	656	849,609	850,265	869,228
Facilities and maintenance (Note 14)	2,790,445	-	4,281	175,957	216,492	97,994	3,285,169	250,068	97,994	348,062	3,633,231
Warehouse operating expenses	709,180	-	8,525	32,291	420	-	750,416	-	4,924	4,924	755,340
Business technology expenses	241,158	2,095	30,449	17,755	85,986	18,348	395,791	783,648	197,858	981,506	1,377,297
Grant expense (Note 13)	933,799	-	12,053	-	356,793	147,710	1,450,355	-	-	-	1,450,355
Other program expenses	50,306	402	981,275	144,421	866,623	9,610	2,052,637	2,210	19,780	21,990	2,074,627
Interest (Note 2O)	8,710	-	-	-	-	-	8,710	30,064	-	30,064	38,774
Media outreach and marketing	14,550	18,852	-	-	3,252	-	36,654	842,275	20,494	862,769	899,423
Insurance	-	-	-	-	-	-	-	518,388	-	518,388	518,388
Other expenses	<u>266,461</u>	<u>69,367</u>	<u>20,799</u>	<u>9,718</u>	<u>20,376</u>	<u>4,030</u>	<u>390,751</u>	<u>682,848</u>	<u>385,794</u>	<u>1,068,642</u>	<u>1,459,393</u>
Total expenses before depreciation and amortization and cost of direct benefits to donors	168,584,503	795,216	2,852,990	1,598,749	2,363,050	1,273,240	177,467,748	11,148,372	9,811,568	20,959,940	198,427,688
Amortization expense - finance leases	84,987	-	-	-	-	-	84,987	51,051	-	51,051	136,038
Depreciation and amortization (Notes 2G and 6)	<u>324,461</u>	<u>-</u>	<u>-</u>	<u>105,431</u>	<u>43,864</u>	<u>27,928</u>	<u>501,684</u>	<u>335,089</u>	<u>27,927</u>	<u>363,016</u>	<u>864,700</u>
Sub-total	168,993,951	795,216	2,852,990	1,704,180	2,406,914	1,301,168	178,054,419	11,534,512	9,839,495	21,374,007	199,428,426
Less: cost of direct benefits to donors (Note 2M)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(564,427)</u>	<u>(564,427)</u>	<u>(564,427)</u>
TOTAL EXPENSES	<u>\$ 168,993,951</u>	<u>\$ 795,216</u>	<u>\$ 2,852,990</u>	<u>\$ 1,704,180</u>	<u>\$ 2,406,914</u>	<u>\$ 1,301,168</u>	<u>\$ 178,054,419</u>	<u>\$ 11,534,512</u>	<u>\$ 9,275,068</u>	<u>\$ 20,809,580</u>	<u>\$ 198,863,999</u>

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

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (2,311,285)	\$ (2,602,391)
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	1,082,986	864,700
Amortization of finance leases	96,424	135,143
Interest expense on deferred financing costs	-	14,508
Realized and unrealized (gain) loss on investments, net	(1,453)	23,777
Bad debt	32,595	-
Operating leases	(158,558)	(129,803)
Finance leases	54,198	136,822
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Government grants receivable	(536,756)	1,162,672
Contributions receivable	(948,136)	(336,702)
Accounts receivable	42,935	133,386
Purchased products inventory	(93,866)	2,053,157
Donated products inventory	1,425,576	(831,716)
Prepaid expenses and other assets	(279,330)	869,039
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	1,575,880	(1,588,614)
Accrued salaries	83,510	435,909
Accrued vacation	(6,368)	74,202
Government contract advances	(1,529,682)	(87,341)
Net Cash (Used in) Provided by Operating Activities	(1,471,330)	326,748
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	20,025,190	25,119,523
Purchases of investments	(21,403,463)	(21,983,245)
Purchases of property and equipment	(1,175,424)	(2,436,326)
Net Cash (Used in) Provided by Investing Activities	(2,553,697)	699,952
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of mortgage payable	-	(1,195,334)
Finance lease principal payment	(53,857)	(163,581)
Net Cash Used in Financing Activities	(53,857)	(1,358,915)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,078,884)	(332,215)
Cash and Cash Equivalents - beginning of year	7,894,996	8,227,211
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,816,112	\$ 7,894,996
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	\$ 7,046	\$ 24,266

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

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Food Bank For New York City was incorporated in the State of New York in 1983 pursuant to the Not-for-Profit Corporation Law. Food Bank For New York City was determined to be a publicly supported organization by the Internal Revenue Service (“IRS”) and is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (“IRC”). Community Food Resources Center Property, Inc. (“CFRC”) is a controlled subsidiary of Food Bank For New York City and was incorporated in the State of New York in 2000. CFRC is a Section 501(c)(2) organization whose purpose is to hold title to property and turn over all of its earnings, less expenses, to Food Bank For New York City and, accordingly, is exempt from Federal and state income taxes. Collectively, these two entities are referred to as “FBNYC.”

FBNYC is a member of Feeding America, the Nation’s Food Bank Network and Feeding New York State.

FBNYC’s mission is to empower every New Yorker to achieve food security for good. As the largest hunger-relief organization in New York City, FBNYC employs a multifaceted approach centered on tackling hunger as a symptom of poverty and developing solutions to address both. To that end, FBNYC’s programs are designed to help low-income New Yorkers access the knowledge, tools and resources needed today to achieve greater financial stability, mobility and independence tomorrow. Major programs include:

Community Kitchen and Food Pantry: Opened in 1984, the Community Kitchen and Food Pantry of West Harlem (the “Kitchen”) is a resource and service center for the community of West Harlem. The Kitchen operates a congregate meal program, a consumer-choice food pantry and provides access to other services such as benefits help, financial education and healthcare screenings.

Benefits Access: FBNYC provides sessions to 1) inform and educate low-income New Yorkers and community-based organizations on government food assistance programs, and 2) help communities move toward more sustainable strategies for combating food and financial insecurity. It also conducts SNAP training and provides technical assistance on eligibility screening for community-based organizations. In addition, its services are provided directly to thousands of clients annually.

Nutrition Education Services: FBNYC provides nutrition for children, teens and adults, encourages the development and adoption of healthy diets and promotes healthy eating in communities throughout New York City.

Income Support Services: During fiscal year 2025, FBNYC transitioned its free tax preparation program to an external nonprofit provider. While the program provided meaningful community benefit, management determined that service delivery could continue more effectively through a specialized partner. This transition allows FBNYC to focus resources on its core food access and nutrition mission while maintaining access to tax preparation services for low-income households.

Fiscal Year 2025 (“FY25”) Summary

As shown in the consolidated statements of financial position, net assets as of June 30, 2025 and 2024, were approximately \$38.9 million and \$41.3 million, respectively. As reflected in the consolidated statements of activities, the change in net assets for the years ended June 30, 2025 and 2024 was a decrease of approximately \$2.3 million and \$2.6 million, respectively.

Over the past four years, FBNYC has experienced cumulative decreases in net assets of approximately \$11 million. These decreases were anticipated and reflect intentionally planned and budgeted investments in food distribution, capability building across the city-wide member network, and initiatives designed to strengthen the long-term sustainability of the organization. These investments were fully supported by the combined net surpluses of approximately \$36 million generated in the two fiscal years immediately preceding this period.

For the year ended June 30, 2025, the Organization raised \$33.9 million in private support, compared to \$30.4 million in the prior year.

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. **Basis of Accounting** – FBNYC adheres to accounting principles generally accepted in the United States of America (“U.S. GAAP”) and prepares its financial statements using the accrual basis of accounting. The accompanying financial statements consist of the accounts of Food Bank For New York City and CFRC (collectively, “FBNYC”). All inter-company transactions are eliminated.
- B. **Net Asset Classifications** – FBNYC maintains its net assets under the following two classes:
- Without Donor Restrictions:

Operating – this represents resources received that have not been restricted by the donor. Such resources are available for support of FBNYC’s operations over which the Board of Directors has discretionary control.

Board Designated Fund – consists of funds designated by the Board of Directors which represents a portion of FBNYC’s net assets without donor restrictions as an operating reserve for extraordinary events and any governmental funding reductions that may cause hardship for FBNYC. The operating reserve may also be used to expand, purchase and lease equipment and warehouse space. The Board reviews the amount of the operating reserve annually. The operating reserve is not credited or charged with FBNYC’s investment results.

Invested in Property and Equipment – consists of property and equipment less mortgage loan payable.
 - With Donor Restrictions: Represents resources received with donor stipulations that limit the use of the donated assets or that have time restrictions placed on their use. 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 and reported in the consolidated statements of activities as net assets released from restrictions. In addition, net assets with donor restrictions also represent assets subject to donor-imposed stipulations that the corpus be maintained in perpetuity.
- C. **Cash and Cash Equivalents** – FBNYC considers money market funds and all other highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents, except cash equivalents held as part of FBNYC’s investment portfolio.
- D. **Contributions and Accounts Receivable** – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows if deemed material to the consolidated financial statements. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Contributions are accounted for under Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made* (Topic 958). Conditional promises to give are not included as support until the conditions are substantially met. FBNYC’s management evaluates the need for an allowance for doubtful accounts applicable to its contributions and accounts receivable based on a combination of factors such as management’s estimate of the creditworthiness of its donors, a review of individual accounts outstanding, and the aged basis of the receivables, current economic conditions and historical experience. As of June 30, 2025 and 2024, FBNYC determined that an allowance of approximately \$204,000 and \$221,000, respectively, was necessary for its accounts receivable. As of June 30, 2025 and 2024, FBNYC determined that an allowance of \$100,000 and \$50,000, respectively, was necessary for its contributions receivable.
- E. **Investments** – Investments are carried at fair value. Net appreciation/(depreciation) in the fair value of investments, which includes realized and unrealized gains and losses on those investments, is reported in the consolidated statements of activities as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulations or by law. Securities received as gifts are recorded at fair value at the date of the gift. Investment securities are exposed to various market risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least possible that changes in risks in the near term could materially affect investment balances.

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- F. **Fair Value Measurements** – Investments are stated at fair value. Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as reported in Note 5.
- G. **Property and Equipment** – Property and equipment, including leasehold improvements, are recorded at cost less accumulated depreciation and amortization. These amounts do not purport to represent replacement or realizable values. Depreciation and amortization is provided on a straight-line basis over the useful lives of the asset, and relative to leasehold improvements, over the shorter of the term of the lease or the estimated useful lives of the assets. FBNYC capitalizes property and equipment with cost of \$5,000 or more with a useful life of greater than two years. Upon retirement or disposal, the asset cost and related accumulated depreciation or amortization is eliminated from the respective accounts and the resulting gain or loss is included in the changes in net assets for the period.
- H. **Changes in Net Assets** – Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Expenses are reported as decreases in net assets without donor restrictions. Contributions with donor-imposed restrictions, such as time or purpose restrictions, are recorded as net assets with donor restrictions.

Investment income and net realized and unrealized gain (loss) on investments are reported as follows:

- As increases (decreases) in net assets with donor restrictions if the terms of the gift impose restrictions on the current use of the investment income and unappropriated earnings from endowment funds.
- As increases (decreases) in net assets without donor restrictions in all other cases.

- I. **Government Grants and Contracts** – Government grants and contracts are nonexchange transactions and accounted for under FASB ASU 2018-08. Governmental grants and contracts are recognized as revenue when barriers within the contract are overcome, and there is no right of return. Government contracts amounted to approximately \$34.7 million and \$36.6 million for the years ended June 30, 2025 and 2024, respectively, and are included in the accompanying consolidated statements of activities. Revenue from cost reimbursement-based government contracts is recognized when reimbursable costs are incurred under the terms of the contracts. Revenue from performance-based government contracts is recognized when performance objectives pursuant to the contract have been accomplished. Funds are received in either predetermined installments or in increments based on estimated or actual expenditures for the period. Accordingly, grant revenue under these awards is recognized in amounts equal to actual expenditures incurred. Contract payments received in advance of the qualified cost or performance are accounted for as government contract advances.

As of June 30, 2025 and 2024, FBNYC received conditional grants and contracts from government agencies in the aggregate amounts of \$50,943,281 and \$68,637,000, respectively. Such amounts have not been recognized in the accompanying consolidated financial statements as they are for future periods and will be recognized when contract barriers are overcome. Such barriers include expending these funds in accordance with their agreements. If such services are not provided, the governmental entities are not obligated to expend the funds allotted under the grants and contracts and FBNYC may be required to return any funds already received.

As of June 30, 2025 and 2024, FBNYC determined that no allowance was needed for its government grants receivable.

- J. **Government-provided Products** – FBNYC receives food commodities for distribution to recipients under The Emergency Food Assistance Program (“TEFAP”), granted by New York State. TEFAP commodities belong to FBNYC as title passes when the goods are delivered to its warehouse. Government-provided food commodities under TEFAP on hand as of June 30, 2025 and 2024 amounted to approximately \$1,318,000 and \$2,796,000, respectively, and are included as donated products inventory in the accompanying consolidated statements of financial position. FBNYC is responsible for safekeeping government food products held in inventory.

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- K. **Purchased Products Inventory** – Purchased products inventory consists of food and food service supplies used to fulfill obligations under certain government contracts and for resale to member organizations. Inventory is stated at the lower of cost or net realizable value using the first-in, first-out method.

Reimbursements received for products delivered under government contracts and proceeds from sales to member organizations are recognized as revenue, while related costs are included in program services as distribution and food storage. FBNYC recognizes sales revenue, to its member organizations, when the performance obligation is satisfied, which is when inventories are shipped. Control transfers to the customer when the inventory ships and the risk of loss is no longer with FBNYC. The transaction price of the inventories is determined by FBNYC and is based upon their listed price.

- L. **Donated Goods and Services** – Donated food, financial instruments and other non-cash items are recorded as contributions at their fair value at the time of receipt. The fair value of donated food is calculated by utilizing the approximate average wholesale value of one pound of donated product at the national level (see Note 9). Donated services are reported as contributions when the services create or enhance nonfinancial assets, would be purchased if they had not been provided by contribution, or require specialized skills and are provided by individuals possessing those skills. Members of the Board of Directors and a substantial number of volunteers have made significant contributions of their time in support of FBNYC. The value of this contributed time is not reflected in these financial statements since these services do not meet the criteria for recognition.

FBNYC recognized contributed services amounting to \$268,791 and \$445,069 as in-kind contributions and expenses in the accompanying consolidated financial statements for the years ended June 30, 2025 and 2024, respectively.

Donated services for the year ended June 30, 2025 consisted of the following:

<u>Nonfinancial Asset</u>	<u>Amount</u>	<u>Usage in Programs/Activities</u>	<u>Donor-imposed Restrictions</u>	<u>Fair Value Techniques</u>
Donated food	\$ 104,498,642	Distribution and Food Storage	No associated donor restriction	Based on wholesale value of one pound of donated product as published by Feeding America
Legal and other donated equipment	\$ 268,508	Management and General	No associated donor restriction	Based on current rates of legal services and other donated equipment

Donated services for the year ended June 30, 2024 consisted of the following:

<u>Nonfinancial Asset</u>	<u>Amount</u>	<u>Usage in Programs/Activities</u>	<u>Donor-imposed Restrictions</u>	<u>Fair Value Techniques</u>
Donated food	\$ 126,142,732	Distribution and Food Storage	No associated donor restriction	Based on wholesale value of one pound of donated product as published by Feeding America
Legal and other donated equipment	\$ 445,069	Food and Nutrition Services	No associated donor restriction	Based on current rates of legal services provided by law firm

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- M. **Special Events Direct Costs** – The direct costs of special events include expenses for the benefit of the donor. For example, meals and facilities rental are considered direct costs of special events.
- N. **Use of Estimates** – The preparation of financial statements in conformity with U.S. GAAP requires FBNYC’s 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.
- O. **Deferred Financing Costs** – Debt financing costs are presented as a reduction of the carrying amount of the debt rather than as an asset. Amortization of the debt issuance costs is reported as interest expense in the accompanying consolidated financial statements for the years ended June 30, 2025 and 2024.
- P. **Functional Allocation of Expenses** – The costs of providing various programs and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail for the functional expenses with the result that certain natural costs are allocated among the programs and supporting services benefited. Accordingly, the consolidated statements of functional expenses report certain categories of expenses that are attributed to more than one program or supporting function. Those expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include: salaries, payroll taxes and fringe benefits, which are allocated based on time and effort reporting, and depreciation and amortization, which are directly charged based on specific identification of program assets. A combination of allocation bases is used for occupancy, insurance, office and communications expenditures, which are directly charged based on specific identification to program activities with the remaining costs allocated based on full time equivalencies (FTEs) across the other functional areas.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF RESOURCES

FBNYC regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. FBNYC has various sources of liquidity at its disposal, including cash and cash equivalents, investments, government grants, contributions and accounts receivable.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, FBNYC considers all expenditures related to its ongoing activities of food storage and delivery, research and policy, food and nutrition services, community kitchen and food pantry, income support services, and food and benefits access services, as well general administration and support services.

In addition to financial assets available to meet general expenditures over the next 12 months, FBNYC anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. In the event of an unanticipated liquidity need, FBNYC could also draw upon \$1,000,000 of its available line of credit (see Note 10).

The following financial assets could be made available immediately from the consolidated statements of financial position date to meet general expenditures as of June 30:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 3,816,112	\$ 7,894,996
Investments	9,543,905	8,164,179
Government grants receivable	17,387,248	16,850,492
Contributions receivable, net	2,114,838	1,166,702
Accounts receivable, net	<u>366,885</u>	<u>442,415</u>
Total financial assets	33,228,988	34,518,784
Less: Board - designated net assets	(7,288,532)	(7,288,532)
Less: Net assets with donor restrictions	<u>(3,691,024)</u>	<u>(3,129,703)</u>
	<u>\$ 22,249,432</u>	<u>\$ 24,100,549</u>

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 4 – INVESTMENTS

Investments consist of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Certificates of Deposit	\$ 1,163,432	\$ 1,117,531
U.S. Treasury Bills	8,276,089	6,957,200
Fixed Interest Account	<u>104,384</u>	<u>89,448</u>
	<u>\$ 9,543,905</u>	<u>\$ 8,164,179</u>

Investment activity consists of the following for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Interest and dividend income	\$ 458,777	\$ 625,542
Realized gain on investments	1,453	711
Unrealized loss on investments	-	(24,488)
	<u>\$ 460,230</u>	<u>\$ 601,765</u>

NOTE 5 – FAIR VALUE MEASUREMENTS

The three levels of the fair value hierarchy under FASB Accounting Standards Codification (ASC) Topic 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that FBNYC has the ability to access.

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the assets or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used during the years ended June 30, 2025 and 2024.

U.S. Treasury Bills:

U.S. treasury bills are valued based on quoted prices in active markets – Level 1.

Certificates of Deposit:

Certificates of deposit (“CDs”) are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer – Level 2. There is little difference between such calculation and cost.

Fixed Interest Account:

Fixed interest account is backed by MetLife’s General Account, which invests primarily in bonds, commercial, agricultural, and real estate mortgages, real estate and corporate equities. Amounts placed in the account are credited with interest at a rate determined by MetLife.

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 5 – FAIR VALUE MEASUREMENTS (Continued)

Financial assets carried at fair value as of June 30, 2025 are classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total 2025</u>
Investments:			
Certificates of deposit	\$ -	\$ 1,163,432	\$ 1,163,432
Fixed interest account	-	104,384	104,384
U.S. Treasury Bills	<u>8,276,089</u>	<u>-</u>	<u>8,276,089</u>
Total assets carried at fair value	<u>\$ 8,276,089</u>	<u>\$ 1,267,816</u>	<u>\$ 9,543,905</u>

Financial assets carried at fair value at June 30, 2024 are classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total 2024</u>
Investments:			
Certificates of deposit	\$ -	\$ 1,117,531	\$ 1,117,531
Fixed interest account	-	89,448	89,448
U.S. Treasury Bills	<u>6,957,200</u>	<u>-</u>	<u>6,957,200</u>
Total assets carried at fair value	<u>\$ 6,957,200</u>	<u>\$ 1,206,979</u>	<u>\$ 8,164,179</u>

NOTE 6 – PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consists of the following as of June 30:

	<u>2025</u>	<u>2024</u>	<u>Estimated Useful Lives</u>
Land	\$ 137,957	\$ 137,957	
Building	551,830	551,830	40 years
Building improvements	4,576,749	4,535,718	10-40 years
Office equipment and computers	2,558,307	2,558,307	5 years
Warehouse equipment	428,052	579,520	5 years
Vehicles	4,413,465	4,137,988	3-7 years
Leasehold improvements	7,470,137	6,800,804	3-30 years
Furniture, fixtures and equipment	239,772	202,614	5 years
Construction in progress (see below)	<u>302,512</u>	<u>747,320</u>	
	20,678,781	20,252,058	
Less: Accumulated depreciation and amortization	<u>(10,214,668)</u>	<u>(9,783,959)</u>	
Net book value	<u>\$ 10,464,113</u>	<u>\$ 10,468,099</u>	

For the years ended June 30, 2025 and 2024, depreciation and amortization expense amounted to \$1,082,986 and \$864,700, respectively. During the years ended June 30, 2025 and 2024, FB NYC wrote off fully depreciated property and equipment amounting to \$652,277 and \$10,489, respectively.

As of June 30, 2025, construction in progress relates to warehouse improvements, which include Brine waste and Racking projects. Both of these projects have been delayed with an expectation of completion by June 2027. The estimated cost to complete these projects is approximately \$105,000.

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 7 – CONTRIBUTIONS RECEIVABLE, NET

Contributions receivable, net, consist of the following as of June 30:

	<u>2025</u>	<u>2024</u>
Due in less than one year	\$ 651,019	\$ 1,076,702
Due between one year and five years	<u>1,563,819</u>	<u>140,000</u>
Subtotal	2,214,838	1,216,702
Less: allowance for uncollectable contributions	<u>(100,000)</u>	<u>(50,000)</u>
	<u>\$ 2,114,838</u>	<u>\$ 1,166,702</u>

NOTE 8 – GOVERNMENT CONTRACTS

Revenue recognized from government contracts consists of the following for the years ended June 30:

	<u>2025</u>	<u>2024</u>
New York State:		
Office of General Services, Division of Food Distribution and Warehousing - The Emergency Food Assistance Program	\$ 8,898,383	\$ 10,078,054
Department of Health Division of Nutrition, Nourish New York Initiative	11,111,133	10,722,693
Department of Health Division of Nutrition, Hunger Prevention Nutrition Assistance Program	7,787,754	7,494,011
Department of Agriculture and Markets	1,605,421	631,332
New York City:		
Department of Youth and Community Development	2,666,818	3,231,403
Human Resources Administration – Emergency Food Assistance Program	1,126,222	782,000
Department for the Aging	528,110	604,716
New York City Connect	92,142	392,447
Other:		
Internal Revenue Service – Volunteer Income Tax Assistance Program	467,987	610,211
Commodities Supplemental Food Program	237,668	1,326,798
Hunger Solutions New York	144,167	179,630
Feeding New York State	-	50,705
Food Support Connections – United Way of New York City	77,928	122,503
U.S. Department of Homeland Security – Emergency Food and Shelter National Board	<u>332,311</u>	<u>359,777</u>
	<u>\$ 35,076,044</u>	<u>\$ 36,586,280</u>

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 9 – FOOD AND OTHER PRODUCTS DISTRIBUTION PROGRAM

Food and other products distributed by FBNYC are provided by various sources, such as donations from the food industry, public food drives, food purchases by FBNYC, and government-provided products. The total pounds and value of products distributed to more than 1,000 feeding programs for the years ended June 30 were as follows:

	2025		2024	
	<u>Poundage</u>	<u>Value</u>	<u>Poundage</u>	<u>Value</u>
Donated food	22,715,407	\$ 43,378,161	21,793,744	\$ 43,393,006
Purchased food	24,252,727	21,174,057	24,624,363	22,086,460
Government programs	<u>56,922,399</u>	<u>62,362,421</u>	<u>62,925,824</u>	<u>82,063,318</u>
	<u>103,890,533</u>	<u>\$ 126,914,639</u>	<u>109,343,931</u>	<u>\$ 147,542,784</u>

The valuation of donated food received, donated food distributed, and donated food inventory is based on the approximate average wholesale value of one pound of donated product at the national level of \$1.90 and \$1.97 for the years ended June 30, 2025 and 2024, respectively, as published by Feeding America, a non-profit organization audited by a national accounting firm. Donated food inventory, including government-provided products, amounted to \$1,741,835 and \$3,167,411 as of June 30, 2025 and 2024, respectively.

NOTE 10 – LINE OF CREDIT

FBNYC has a line of credit (“LOC”) with a financial institution for \$1,000,000. There was no line of credit balance as of June 30, 2025 and 2024. FBNYC’s LOC was secured by FBNYC’s certificates of deposit and carries interest at the Secured Overnight Financing Rate (“SOFR”) plus 1.6% interest. This LOC expired on April 30, 2025 and a new LOC was obtained on May 6, 2025 with a maturity date of April 30, 2026. There was no interest expense incurred for the years ended June 30, 2025 and 2024. As of February 27, 2026, there were no amounts outstanding.

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes as of June 30:

	<u>2025</u>	<u>2024</u>
Purpose and Time Restricted:		
Food distribution	\$ 2,655,140	\$ 1,133,799
Children’s feeding and nutrition programs	610,242	948,126
Unappropriated earnings from endowment	4,371	2,305
Income support services	87,500	-
Capital projects	37,000	12,000
Time restricted	<u>246,771</u>	<u>983,473</u>
Subtotal	3,641,024	3,079,703
Endowment - Perpetual in nature	<u>50,000</u>	<u>50,000</u>
	<u>\$ 3,691,024</u>	<u>\$ 3,129,703</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose and/or time specified by the donors and consist of the following for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Food distribution	\$ 2,214,270	\$ 3,044,324
Income support services	510,000	665,000
Children’s feeding and nutrition programs	1,015,434	986,881
Capital projects	10,000	25,000
Board appropriations from endowment	-	1,302
Time restricted	<u>836,702</u>	<u>850,000</u>
	<u>\$ 4,586,406</u>	<u>\$ 5,572,507</u>

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Endowment net assets consist of donor restricted funds and a board designated endowment. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. See Note 2B for how FBNYC maintains its net assets.

FBNYC adheres to the New York Prudent Management of Institutional Funds Act (“NYPMIFA”). NYPMIFA creates a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted endowment fund’s fair value (averaged over a period of not less than the preceding five years) in any year.

Any unappropriated earnings that would otherwise be considered without restrictions by the donor will be reflected as earnings with donor restrictions until appropriated by the organization.

FBNYC’s Board has interpreted NYPMIFA as allowing FBNYC to appropriate for expenditure or accumulate so much of an endowment fund as FBNYC 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.

FBNYC records earnings on donor restricted funds not otherwise restricted by the donor as net assets with donor restrictions until appropriated for expenditure by the Board in a manner consistent with the standard of prudence described by NYPMIFA.

In accordance with U.S. GAAP, any deterioration of the fair value of assets associated with donor-restricted endowment funds that falls below the level the donor requires FBNYC to retain in perpetuity is to be reported in net assets without donor restrictions. FBNYC has not incurred such deficiencies in its endowment funds as of June 30, 2025 and 2024.

FBNYC has adopted investment policies whereby the endowment assets are invested in a manner intended to preserve the assets of donor-restricted funds that FBNYC must hold in perpetuity while assuming a low level of investment risk. Therefore, the investment objectives require disciplined and consistent management philosophies that accommodate all relevant, reasonable and probable events. In addition, a periodic review of the total rate of return is required. The Board appropriates for expenditures such amounts it determines may be used to support FBNYC activities.

Changes in endowment net assets for the year ended June 30, 2025 are as follows:

	<u>Board- designated</u>	<u>Unappropriated Endowment Earnings</u>	<u>Endowment – Perpetual in nature</u>	<u>Total 2025</u>
Balance, at beginning of year	\$ 7,288,532	\$ 2,305	\$ 50,000	\$ 7,340,837
Investment earnings	-	2,066	-	2,066
Board appropriation	-	-	-	-
Endowment net assets, end of year	<u>\$ 7,288,532</u>	<u>\$ 4,371</u>	<u>\$ 50,000</u>	<u>\$ 7,342,903</u>

Changes in endowment net assets for the year ended June 30, 2024 are as follows:

	<u>Board- designated</u>	<u>Unappropriated Endowment Earnings</u>	<u>Endowment – Perpetual in nature</u>	<u>Total 2024</u>
Balance, at beginning of year	\$ 7,288,532	\$ 1,302	\$ 50,000	\$ 7,339,834
Investment earnings	-	2,305	-	2,305
Board appropriation	-	(1,302)	-	(1,302)
Endowment net assets, end of year	<u>\$ 7,288,532</u>	<u>\$ 2,305</u>	<u>\$ 50,000</u>	<u>\$ 7,340,837</u>

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 12 – RETIREMENT PLAN

- A. FBNYC has a 403(b) defined contribution retirement plan (the “Plan”). Employees become eligible to contribute to the Plan upon employment. Participating employees may contribute any amount, up to the maximum IRS annual contribution limit. FBNYC provides an employer match up to 5% of employees’ compensation after one year of service. FBNYC will provide an additional 3% of compensation for non-exempt employees not subject to an employee match. Retirement expense amounted to \$815,194 and \$676,652 for the years ended June 30, 2025 and 2024, respectively.
- B. Effective July 1, 2007, FBNYC adopted a nonqualified 457(b) Deferred Compensation Plan for the benefit of a select group of FBNYC’s management. The plan is funded solely by employee contributions. Included in investments and accounts payable and accrued expenses is \$104,384 and \$89,448 as of June 30, 2025 and 2024, respectively, relating to this plan.

NOTE 13 – GRANT EXPENSE, FACILITATED MEALS AND RELATED COSTS

Grant expense, facilitated meals and other related costs consists of the following for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Equipment	\$ 274,500	\$ 603,800
Operating funds	332,506	846,555
Facilitated meals and related costs	<u>1,376,943</u>	<u>1,358,071</u>
	<u>\$ 1,983,949</u>	<u>\$ 2,808,426</u>

Funds for facilitated meals and other related costs were awarded to specific community organizations for the purchase and distribution of New York State produced food products.

NOTE 14 – OPERATING AND FINANCING LEASES

FBNYC leases certain office facilities and equipment at various terms under long-term non-cancelable operating and finance lease agreements.

FBNYC leases office space at 39 Broadway under a non-cancelable lease that expires March 31, 2026 and additional space at Hunts Point Market under a non-cancelable lease expiring on May 31, 2038. There is one addition to the leases, a new operating lease for a copier signed this year.

FBNYC has various finance leases for warehouse and office equipment expiring at various dates between August 2024 and December 2029. There is one addition to the leases, a new industrial sweeper lease signed this year.

FBNYC includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The operating lease for 39 Broadway provides for increases in future minimum annual rental payments. Additionally, the lease agreement requires payment of operating expenses, including real estate taxes.

The weighted-average discount rate is based on the risk-free rate for all occupancy leases. FBNYC used the applicable discount rates for its leases based on U.S. Treasury Rates of 5-year and 30-year maturities. FBNYC used the applicable treasury rate at the later of the adoption of ASC 842 or the inception of the lease.

For leases of equipment, the borrowing rate approach was used, with the copiers amortized using their incremental short-term borrowing rate and the vehicle lease using the rate implicit in the contract. Previously capitalized equipment leases for forklifts and other warehouse equipment had been capitalized using a similar approach in prior years.

Total lease costs for the years ended June 30, are as follows:

	<u>2025</u>	<u>2024</u>
Operating lease cost	\$ 3,080,495	\$ 2,921,495
Finance lease cost		
Interest expense	6,446	14,292
Amortization of right-of-use assets	<u>96,424</u>	<u>135,143</u>
Total finance lease cost	<u>102,870</u>	<u>149,435</u>
Short-term lease cost	-	43,813
Total lease cost	<u>\$ 3,183,365</u>	<u>\$ 3,114,743</u>

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 14 – OPERATING AND FINANCING LEASES (Continued)

The following table summarizes the supplemental cash flow information for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 3,238,626	\$ 3,228,957
Operating cash flows from finance leases	\$ 6,446	\$ 14,292
Financing cash flows from finance leases	\$ 53,857	\$ 163,581

Noncash financing and investing cash flow (post ASC 842 adoption)

Right-of-use assets obtained in exchange for lease liabilities:

Operating leases	\$ 8,577	\$ -
Finance leases	\$ 42,226	\$ -

The following summarizes the weighted-average remaining lease term and weighted-average discount rate:

Weighted-average remaining lease term in years:	<u>2025</u>	<u>2024</u>
Operating leases	12.70	13.47
Finance leases	2.21	1.63
Weighted-average discount rate:		
Operating leases	3.12%	3.11%
Finance leases	6.93%	5.34%

The future minimum lease payments under non-cancelable operating and finance leases with terms greater than one year are listed below as of June 30, 2025:

	<u>Operating Leases</u>	<u>Financing Leases</u>
2026	\$ 3,085,260	\$ 76,570
2027	2,589,136	10,726
2028	2,589,136	10,726
2029	2,589,136	10,726
2030	2,589,136	6,258
Thereafter	<u>20,497,318</u>	<u>-</u>
	33,939,122	115,006
Less: discount to present value	<u>(5,944,405)</u>	<u>(27,295)</u>
	<u>\$ 27,994,717</u>	<u>\$ 87,711</u>

Rent expense for real property (included in facilities and maintenance expense) for the years ended June 30, 2025 and 2024 amounted to \$3,080,495 and \$2,921,495, respectively.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

A. *Funding Source Audits*

Cost reimbursable contracts applicable to various programs conducted for, and on behalf of, New York State and New York City governmental agencies are subject to adjustments for disallowed costs, if any, based on the results of audits by the agencies. Management believes that the results of such audits would not have a material effect on the accompanying consolidated financial statements.

B. *Income Tax*

FBNYC believes it has no uncertain income tax positions as of June 30, 2025 and 2024 in accordance with FASB ASC Topic 740 (“Income Taxes”), which provides standards for establishing and classifying any tax provisions for uncertain tax positions.

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 16 – CONCENTRATION

Cash and cash equivalents that potentially subject FBNYC to a concentration of credit risk include cash accounts at one bank that exceeded the Federal Deposit Insurance Corporation (“FDIC”) insurance limits by approximately \$4,120,000 and \$7,889,000 as of June 30, 2025 and 2024, respectively.

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through February 27, 2026, the date the consolidated financial statements were available to be issued. There were no subsequent events that required disclosure.

On March 31, 2026, FBNYC’s lease for its primary office space at 39 Broadway will expire and not be renewed. Following the conclusion of the lease, staff previously based at this location will be relocated to other facilities, including CFRC and FBNYC’s warehouse. Management does not anticipate any disruptions in FBNYC’s operations as a result of these changes.

**FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2025 AND 2024**

	As of June 30, 2025				As of June 30, 2024			
	Food Bank For NYC	CFRC	Consolidating Eliminations	Consolidated Total	Food Bank For NYC	CFRC	Consolidating Eliminations	Consolidated Total
ASSETS								
Cash and cash equivalents	\$ 3,816,112	\$ -	\$ -	\$ 3,816,112	\$ 7,894,996	\$ -	\$ -	\$ 7,894,996
Investments	9,543,905	-	-	9,543,905	8,164,179	-	-	8,164,179
Government grants receivable	17,387,248	-	-	17,387,248	16,850,492	-	-	16,850,492
Contributions receivable, net	2,114,838	-	-	2,114,838	1,166,702	-	-	1,166,702
Accounts receivable, net	366,885	-	-	366,885	442,415	-	-	442,415
Due from subsidiary	3,115,681	-	(3,115,681)	-	3,080,526	-	(3,080,526)	-
Purchased products inventory	151,886	-	-	151,886	58,020	-	-	58,020
Donated products inventory	1,741,835	-	-	1,741,835	3,167,411	-	-	3,167,411
Prepaid expenses and other assets	1,463,870	-	-	1,463,870	1,184,540	-	-	1,184,540
Property and equipment, net	7,282,269	3,181,844	-	10,464,113	7,172,494	3,295,605	-	10,468,099
Operating lease right-of-use assets	27,941,329	-	-	27,941,329	30,103,342	-	-	30,103,342
Finance lease right-of-use assets	81,414	-	-	81,414	135,612	-	-	135,612
TOTAL ASSETS	\$ 75,007,272	\$ 3,181,844	\$ (3,115,681)	\$ 75,073,435	\$ 79,420,729	\$ 3,295,605	\$ (3,080,526)	\$ 79,635,808
LIABILITIES								
Accounts payable and accrued expenses	\$ 6,076,137	\$ -	\$ -	\$ 6,076,137	\$ 4,500,257	\$ -	\$ -	\$ 4,500,257
Accrued salaries	1,241,638	-	-	1,241,638	1,158,128	-	-	1,158,128
Accrued vacation	727,629	-	-	727,629	733,997	-	-	733,997
Government contract advances	-	-	-	-	1,529,682	-	-	1,529,682
Due to subsidiary	-	3,115,681	(3,115,681)	-	-	3,080,526	(3,080,526)	-
Operating lease liabilities	27,994,717	-	-	27,994,717	30,315,288	-	-	30,315,288
Finance lease liabilities	87,712	-	-	87,712	141,569	-	-	141,569
TOTAL LIABILITIES	36,127,833	3,115,681	(3,115,681)	36,127,833	38,378,921	3,080,526	(3,080,526)	38,378,921
NET ASSETS								
Without donor restrictions:								
Operations	20,617,614	(3,115,681)	-	17,501,933	23,451,079	(3,080,526)	-	20,370,553
Board-designated	7,288,532	-	-	7,288,532	7,288,532	-	-	7,288,532
Net investment in property and equipment	7,282,269	3,181,844	-	10,464,113	7,172,494	3,295,605	-	10,468,099
Total net assets without donor restrictions	35,188,415	66,163	-	35,254,578	37,912,105	215,079	-	38,127,184
Net assets with donor restrictions	3,691,024	-	-	3,691,024	3,129,703	-	-	3,129,703
TOTAL NET ASSETS	38,879,439	66,163	-	38,945,602	41,041,808	215,079	-	41,256,887
TOTAL LIABILITIES AND NET ASSETS	\$ 75,007,272	\$ 3,181,844	\$ (3,115,681)	\$ 75,073,435	\$ 79,420,729	\$ 3,295,605	\$ (3,080,526)	\$ 79,635,808

FOOD BANK FOR NEW YORK CITY AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	Year Ended June 30, 2025						Year Ended June 30, 2024					
	Food Bank New York City			CFRC	Eliminations	Consolidated Total	Food Bank New York City			CFRC	Eliminations	Consolidated Total
	Without Donor Restrictions	With Donor Restrictions	Total				Without Donor Restrictions	With Donor Restrictions	Total			
PUBLIC SUPPORT AND REVENUE:												
Contributions - foundations and corporations	\$ 5,758,036	\$ 5,045,661	\$ 10,803,697	\$ -	\$ -	\$ 10,803,697	\$ 6,542,088	\$ 4,170,942	\$ 10,713,030	\$ -	\$ -	\$ 10,713,030
Contributions - individuals	21,598,305	100,000	21,698,305	-	-	21,698,305	16,910,912	1,586,702	18,497,614	-	-	18,497,614
Special and other events (net of direct expenses of \$567,177 and \$564,427 in 2025 and 2024, respectively)	827,525	-	827,525	-	-	827,525	646,733	-	646,733	-	-	646,733
Government contracts	35,076,044	-	35,076,044	-	-	35,076,044	36,586,280	-	36,586,280	-	-	36,586,280
Donated food received and contributions-in-kind	104,767,150	-	104,767,150	-	-	104,767,150	126,587,801	-	126,587,801	-	-	126,587,801
Sale of food and paper products	2,080,231	-	2,080,231	-	-	2,080,231	2,330,727	-	2,330,727	-	-	2,330,727
Investment activity	458,164	2,066	460,230	-	-	460,230	599,460	2,305	601,765	-	-	601,765
Other income	36,687	-	36,687	-	-	36,687	297,658	-	297,658	-	-	297,658
Net assets released from restrictions	4,586,406	(4,586,406)	-	-	-	-	5,572,507	(5,572,507)	-	-	-	-
TOTAL PUBLIC SUPPORT AND REVENUE	<u>175,188,548</u>	<u>561,321</u>	<u>175,749,869</u>	<u>-</u>	<u>-</u>	<u>175,749,869</u>	<u>196,074,166</u>	<u>187,442</u>	<u>196,261,608</u>	<u>-</u>	<u>-</u>	<u>196,261,608</u>
EXPENSES:												
Program services:												
Distribution and food storage	148,960,914	-	148,960,914	-	-	148,960,914	168,993,951	-	168,993,951	-	-	168,993,951
Research and policy	929,566	-	929,566	-	-	929,566	795,216	-	795,216	-	-	795,216
Food and nutrition services	2,226,733	-	2,226,733	-	-	2,226,733	2,852,990	-	2,852,990	-	-	2,852,990
Community kitchen and food pantry	1,992,633	-	1,992,633	148,916	-	2,141,549	1,592,415	-	1,592,415	111,765	-	1,704,180
Income support services	1,557,442	-	1,557,442	-	-	1,557,442	2,406,914	-	2,406,914	-	-	2,406,914
Food and benefits access	1,174,579	-	1,174,579	-	-	1,174,579	1,301,168	-	1,301,168	-	-	1,301,168
Total program services	<u>156,841,867</u>	<u>-</u>	<u>156,841,867</u>	<u>148,916</u>	<u>-</u>	<u>156,990,783</u>	<u>177,942,654</u>	<u>-</u>	<u>177,942,654</u>	<u>111,765</u>	<u>-</u>	<u>178,054,419</u>
Supporting services:												
Management and general	11,707,908	-	11,707,908	-	-	11,707,908	11,534,512	-	11,534,512	-	-	11,534,512
Fundraising	9,362,463	-	9,362,463	-	-	9,362,463	9,275,068	-	9,275,068	-	-	9,275,068
Total supporting services	<u>21,070,371</u>	<u>-</u>	<u>21,070,371</u>	<u>-</u>	<u>-</u>	<u>21,070,371</u>	<u>20,809,580</u>	<u>-</u>	<u>20,809,580</u>	<u>-</u>	<u>-</u>	<u>20,809,580</u>
TOTAL EXPENSES	<u>177,912,238</u>	<u>-</u>	<u>177,912,238</u>	<u>148,916</u>	<u>-</u>	<u>178,061,154</u>	<u>198,752,234</u>	<u>-</u>	<u>198,752,234</u>	<u>111,765</u>	<u>-</u>	<u>198,863,999</u>
CHANGE IN NET ASSETS	(2,723,690)	561,321	(2,162,369)	(148,916)	-	(2,311,285)	(2,678,068)	187,442	(2,490,626)	(111,765)	-	(2,602,391)
Net assets - beginning of year	37,912,105	3,129,703	41,041,808	215,079	-	41,256,887	40,590,173	2,942,261	43,532,434	326,844	-	43,859,278
NET ASSETS - END OF YEAR	<u>\$ 35,188,415</u>	<u>\$ 3,691,024</u>	<u>\$ 38,879,439</u>	<u>\$ 66,163</u>	<u>\$ -</u>	<u>\$ 38,945,602</u>	<u>\$ 37,912,105</u>	<u>\$ 3,129,703</u>	<u>\$ 41,041,808</u>	<u>\$ 215,079</u>	<u>\$ -</u>	<u>\$ 41,256,887</u>