

Report of Independent Auditor
and Financial Statements for
Pronto of Long Island Inc
December 31, 2022 and 2021

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PRONTO OF LONG ISLAND, INC.
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INDEPENDENT AUDITOR'S REPORT

*2018 NYS 6th Assembly District
Businessman of the Year*

To the Board of Directors
Pronto of Long Island Inc.

Opinion

I have audited the accompanying financial statements of Pronto of Long Island Inc. (Pronto)(a nonprofit organization), which comprises the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pronto as of December 31, 2022 and 2021, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principals generally accepted in the United States of America

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am required to be independent of Proto and to meet my other ethical responsibilities in accordance with the relevant requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is 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 auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, internal omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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In performing an audit in accordance with generally accepted standards I:

Exercise professional judgement

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 examine, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of interna control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of Pronto's internal control. Accordingly, no such opinion is expressed.

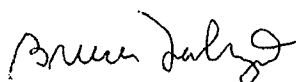
Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raises substantial doubt about Pronto's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged wit 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.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis 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 information has been subjected to the auditing 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 auditing standards generally accepted in the United State of America. In our opinion the information is fairly stated in all material respects in relation to the financial statements as a whole.



Bruce Fabrizio
Certified Public Accountant
Brentwood, NY 11717
October 26, 2023

PRONTO OF LONG ISLAND, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022 AND 2021

ASSETS:	December 31, 2022	December 31, 2021
Current assets:		
Cash and cash equivalents	\$ 915,922	\$ 1,079,966
Grants receivable	71,034	31,538
Inventory	74,742	60,038
Prepaid Expenses	500	500
Gift cards	9,020	10,070
Total current assets	1,071,218	1,182,112
Property, Plant and Equipment (net)	679,730	713,130
TOTAL ASSETS	\$ 1,750,948	\$ 1,895,242
 LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 18,100	\$ 9,096
Payroll Liabilities payable	1,916	-
Deferred Revenue	500,000	452,147
Note payable (current portion)	-	-
Total current liabilities	520,016	461,243
Long Term Liabilities:		
Loan Payable - PPP Loan (see note 8)	-	-
Note Payable- Mortgage (Long Term Portion)	-	500,000
Loan Payable - SBA EIDL (see note 9)	-	-
Total Long Term Liabilities	-	500,000
TOTAL LIABILITIES	520,016	961,243
 NET ASSETS:		
Without donor restrictions	1,230,932	933,999
With Donor restrictions	-	-
Total net assets	1,230,932	933,999
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,750,948	\$ 1,895,242

See independent auditor's report and noted to financial statements

PRONTO OF LONG ISLAND INC
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	
Operations				
REVENUES AND OTHER SUPPORT				
Contributions	\$ 302,186	\$ -	\$ 302,186	8.95%
Grants	850,978	-	850,978	25.22%
In-kind donations	1,880,134	-	1,880,134	55.72%
Fundraising	129,277	-	129,277	3.83%
Thift Shop	166,133	-	166,133	4.92%
Other Inci	<u>45,845</u>	<u>-</u>	<u>45,845</u>	1.36%
 Total revenues and other support	 <u>3,374,553</u>	 <u>-</u>	 <u>3,374,553</u>	 100.00%
 EXPENSES:				
Program expenses	2,868,531	-	2,868,531	93.21%
Support services:				
Management and General	149,454	-	149,454	4.86%
Fundraising	<u>59,635</u>	<u>-</u>	<u>59,635</u>	1.94%
 Total expenses	 <u>3,077,620</u>	 <u>-</u>	 <u>3,077,620</u>	 100.00%
 Change in net assets from operatic	 296,933	 -	 296,933	
 Nonoperating activities				
Investment return, net	-	-	-	
 Total nonoperating activities	 -	 -	 -	
 Change in net assets	 296,933	 -	 296,933	
 Net assets, beginning of year	 <u>933,999</u>	 <u>-</u>	 <u>933,999</u>	
 Net assets, end of year	 <u>\$ 1,230,932</u>	 <u>\$ -</u>	 <u>\$ 1,230,932</u>	

See independant auditor's report and noues to financial statements

PRONTO OF LONG ISLAND, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDING DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total	
Operations				
REVENUES AND OTHER SUPPORT				
Contributions	\$ 428,148	\$	428,148	17.07%
Grants	362,284	-	362,284	14.44%
In-kind donations	1,515,588	-	1,515,588	60.42%
Thrift Shop	115,660		115,660	
Fundraising	44,080	-	44,080	1.76%
Other Income	42,492	-	42,492	1.69%
	-	-	-	
Total revenues and other support	2,508,252	-	2,508,252	95.39%
 EXPENSES:				
Program expenses	2,124,311	-	2,124,311	94.80%
Support services:				
Management and General	111,996	-	111,996	5.00%
Fundraising	4,556	-	4,556	0.20%
	-	-	-	
Total expenses	2,240,863	-	2,240,863	100.00%
 Change in net assets from operations	267,389	-	267,389	
 Nonoperating activities				
Investment return, net	-	-	-	
Total nonoperating activities	-	-	-	
Change in net assets	267,389	-	267,389	
 Net assets, beginning of year	666,610	-	666,610	
 Net assets, end of year	\$ 933,999	\$ -	\$ 933,999	

See independent auditor's report and notes to financial statements

PRONTO OF LONG ISLAND, INC.
STATEMENTS OF CASH FLOWS
AS OF DECEMBER 31, 2022 AND 2021

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase(decrease)in Net Assets	\$ 296,933	\$ 267,389
Change in assets		
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation and Amortization	33,600	33,600
Changes in assets increase (decrease)		
Grants receivable	(39,496)	(1,138)
Inventories	(14,704)	(15,038)
Other current assets	1,050	(7,379)
Changes in liabilities increase (decrease)		
Accounts payable	12,636	14
Deferred revenue	47,853	299,647
Other current liabilities	(1,916)	150
Net cash provided (used) by operating activities	335,956	577,245
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	-	(217)
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquired debt	-	350,000
Payment of notes	(500,000)	(363,166)
Net cash (used) provided by financing activities	(500,000)	(13,166)
NET INCREASE (DECREASE) IN CASH	(164,044)	563,862
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,079,966	516,104
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 915,922	\$ 1,079,966
Supplemental Disclosures of Cash Flow Information::		
Cash Paid for interest	\$ -	\$ 13,308
Cash paid for taxes	\$ 125	\$ 125

See independent auditor's report and notes to financial statements

PRONTO OF LONG ISLAND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2022

	Program Services	Management and General	Fundraising	Total
Salaries	\$ 361,123	\$ 73,965	\$ -	\$ 435,088
Payroll Taxes and employee benefits	33,772	6,917	-	40,689
Advertising	4,705	-	-	4,705
Auto and Truck	7,828	-	-	7,828
Bank Charges	-	1,305	-	1,305
Computer	22,237	4,555	-	26,792
Depreciation	27,888	5,712	-	33,600
Filing Fees	-	125	-	125
Financial Aid	48,798	-	-	48,798
Fundraising Expense	-	-	59,635	59,635
Insurance	20,708	4,241	-	24,949
Interest	10,728	2,197	-	12,925
Office Expense	36,925	8,292	-	45,217
Outside Services	88,580	18,143	-	106,723
Profession: A	-	6,000	-	6,000
Programs	2,166,489	-	-	2,166,489
Sanitation	-	10,065	-	10,065
Repairs	12,942	2,651	-	15,593
Utilities	25,808	5,286	-	31,094
	<u>\$ 2,868,531</u>	<u>\$ 149,454</u>	<u>\$ 59,635</u>	<u>\$ 3,077,620</u>

See independent auditor's report and notes to financial statements

PRONTO OF LONG ISLAND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2021

	Program Services	Management and General	Fundraising	Total
Salaries	\$ 222,090	\$ 46,506	\$ -	\$ 268,596
Payroll Taxes and employee benefits	25,415	5,579	-	30,994
Auto and Truck	8,876	-	-	8,876
Bank Charges	-	2,428	-	2,428
Bookkeeping	-	11,800	-	11,800
Community Events	2,548	-	-	2,548
Depreciation	28,896	4,032	672	33,600
Equipment rental	1,304	-	-	1,304
Filing Fees	-	125	-	125
Financial Assitance	18,642	-	-	18,642
Insurance	20,348	2,839	473	23,660
Interest	12,885	1,798	300	14,983
Office Expense	15,142	1,714	352	17,208
Outside Services	79,116	11,038	1,840	91,994
Postage	-	128	-	128
Professional Fees	-	6,000	-	6,000
Programs- food & Thrift distribution	1,635,833	-	-	1,635,833
Sanitation	-	10,828	-	10,828
Summercamp and Garden	13,677	-	-	13,677
Training	-	1,664	-	1,664
Repairs	19,197	2,679	446	22,322
Utilities	20,342	2,838	473	23,653
TOTAL ADMINSTRATIVE EXPENSE:	\$ 2,124,311	\$ 111,996	\$ 4,556	\$ 2,240,863

See independent's auditor's report and notes to financial statements

PRONTO OF LONG ISLAND, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022

Note 1 - Description of Organization

The Organization was incorporated under section 402 of the Not-For-Profit Corporation Law of the State of New York on December 11, 1972. The Organization is a not-for-profit human services organization, made up of a community of volunteers committed to serving the poor by providing emergency food, clothing, furniture and advocacy with government agencies, English as a second language, referral and counseling services to over 30,000 children, adults and the elderly. The Organization services a predominantly Hispanic population in the Brentwood and Bay Shore areas located in the Town of Islip, County of Suffolk and State of New York. Qualifying contributions to the Organization are tax deductible.

Note 2 - Summary of Significant Accounting Policies

Basis of presentation - The financial statements of Pronto of Long Island, Inc have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require Pronto of Long Island Inc to report information regarding its financial position and activities according to the following net asset classifications:

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 Pronto of Long Island Inc's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulation imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Pronto of Long Island Inc or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities

Measure of operations - The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to Pronto of Long Island Inc's program services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Cash and cash equivalents - Pronto of Long Island Inc's cash consists of cash on deposit with banks, Cash equivalents represent money market funds or short term investments with original maturity of three months or less from the date of purchase, except for those amounts that are held in investment portfolio which are invested for long term purposes.

PRONTO OF LONG ISLAND, INC.
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022

Note 2 - Summary of Significant Accounting Policies (continued)

Grants Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realized value.

As of December 31, 2022, Pronto of Long Island, Inc's Grants Receivable consisted of promises of \$71,034 expected to be collected within one year.

Advertising Costs

The Organization uses advertising to promote its programs among the audience it serves. The production costs of advertising are expensed as incurred.

Functional Allocation of Expenses

The cost of providing the program and other activities have been summarized basis in the statements of activities. Accordingly, certain costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis.

Use of estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

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. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are classified without donor and are reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with Donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net restricted assets with donor restrictions; otherwise, the contributions are recorded as net assets without restrictions.

PRONTO OF LONG ISLAND, INC
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022

Note 2 - Summary of Significant Accounting Policies (continued)

In-kind donations

Pronto of Long Island Inc. received donated food from various sources of \$1,880,134 for the year then ended December 31, 2022. The Thrift Center inventory is measured at the estimated value of what the Organization believes it can receive in donations for such inventory. Thrift Center inventory consists of clothing, furniture and toys. The organization records food inventory by the weight multiplied by a bulk figure estimated by the industry. Food inventory consists of donated items distributed free of charge.

Several Volunteers have made significant contributions of their time in furtherance of Pronto of Long Island Inc's mission. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

Concentration of credit risk

Financial instruments that potentially subject Pronto of Long Island Inc to concentrations of credit risk consists principally of cash and cash equivalents. Pronto of Long Island Inc maintains its cash and cash equivalents in various bank accounts. Pronto of Long Island Inc's cash and cash equivalents account have been placed with high credit quality financial institutions. Pronto of Long Island Inc has not experienced, nor does it anticipate, any losses with respect to such accounts.

Income taxes

Pronto of Long Island Inc is exempt from income tax under IRC section 501 (c) (3), though it is subject to tax or income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. Pronto of Long Island Inc has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Reclassifications

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

New Accounting Pronouncement

On August 16, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (topic 958)- Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net assets classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Pronto of Long Island Inc has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

PRONTO OF LONG ISLAND, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022

Note 4 - Mortgage Payable

During April 2006, the organization entered into a 15 year mortgage agreement with a bank. The Original amount of the mortgage was \$550,000. The mortgage provides for monthly payments of \$3, 856 for principal and interest on the outstanding balance at 6.81% per annum. The mortgage is secured by the underlying facility.

On March 27, 2015 the Organization refinanced the mortgage with Capital One. As of March 18, 2015 the interest rate was reduced to 5.1%. The monthly payment was \$3,430.50 a month for principal and interest.

Mortgage paid off on October 22, 2021.

Note 5- Property, Plant and Equipment

As of December 31, 2022 and 2021 Property, Plant and Equipment consists of the following:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Land	\$ 72,580	\$ 72,580
Building and Building Improvements	1,084,617	1,084,617
Furniture and Equipment	272,478	272,478
Vehicles	63,821	63,821
Property, Plant and equipment at cost	<u>1,493,496</u>	<u>1,493,496</u>
Less: Accumulated Depreciation	<u>813,766</u>	<u>780,366</u>
Property, Plant and Equipment (net)	<u>\$ 679,730</u>	<u>\$ 713,130</u>

Fixed assets are recorded at cost or, if contributed, at fair value at the date of contribution and were depreciated using the straight line method over the estimated useful lives. Depreciation expense amounted to \$33,600 and \$33,600 for the years ended December 31, 2022 and 2021, respectively.

PRONTO OF LONG ISLAND INC
NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022

Note 6 - Availability and Liquidity

The following represents Pronto of Long Island's financial assets at December 31, 2022 and 2021:

Financial assets at year end:	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 915,922	\$1,079,966
Grants receivable	<u>71,034</u>	<u>31,538</u>
Total financial assets	986,956	1,111,504
Less amounts not available to be used within one year:		
Net assets with donor restrictions	-	-
Less net assets with purpose restrictions to be met in less than a year	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 986,956</u>	<u>\$1,111,504</u>

Pronto of Long Island Inc's goal is generally to maintain financial assets to meet 30 days of operating expenses (approximately \$256,468)

Note 7 -Net assets with donor restrictions

Net assets with donor restrictions were as follows for the years ended December 31, 2022 and 2021

Specific purpose	<u>2022</u>	<u>2021</u>
	\$ -	\$ -
Total	<u>\$ -</u>	<u>\$ -</u>

Net assets without donor restrictions for the years ended December 31, 2022 and 2021 were as follows:

Undesignated	<u>2022</u>	<u>2021</u>
	<u>\$ 1,232,432</u>	<u>\$ 933,999</u>

Note 8 - PPP Loan

In May 2020 Pronto received a loan from the Payroll Protection Program for \$30,146. The loan was forgiven on January 15, 2021. At that time the loan was closed out and treated as a Government Grant.

Note 9 - EIDL LOAN

On July 15, 2020 Pronto received from the SBA a Economic Relief Disaster Loan for covid purposes. The loan was for \$150,000.

The loan was increased by \$350,000. The Balance as of December 31, 2021 was \$500,000.

On May 13, 2022 The \$500,000 loan was returned to the SBA along with \$13,264.04 in interest

PRONTO OF LONG ISLAND INC.
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022

Note 10 - Subsequent Events

Management has evaluated subsequent events through October 26, 2023 which is the date the financial statements were available to be issued. The company notes that it is not aware of any material subsequent events.

The EDIL loan was paid off on May 13, 2022