

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Financial Statements and
Uniform Guidance Schedules
Together With Independent Auditors' Reports

December 31, 2024

**CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)**

Financial Statements and
Uniform Guidance Schedules
Together With Independent Auditors' Reports

December 31, 2024 and 2023

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Independent Auditors' Report

Board of Directors
CEC Stuyvesant Cove, Inc. (d/b/a Solar One)

Opinion

We have audited the accompanying financial statements of CEC Stuyvesant Cove, Inc. (d/b/a Solar One) ("Solar One"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Solar One as of December 31, 2024 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Solar One and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Solar One's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, and *Government Auditing Standards* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Solar One'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 Solar One'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.

Report on Summarized Comparative Information

We have previously audited Solar One's December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 14, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 applied in the audit 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 6, 2025 on our consideration of Solar One's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Solar One's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Solar One's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

August 6, 2025

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Statement of Financial Position
December 31, 2024
(with comparative amounts at December 31, 2023)

	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,744,737	\$ 1,541,708
Contributions receivable	228,633	951,580
Government grants and service fee receivables	1,272,637	1,540,286
Prepaid expenses	17,845	6,315
Total Current Assets	3,263,852	4,039,889
Equipment and leasehold improvements, net	1,619,048	1,631,537
Security deposits	595	3,595
Right of use asset, net	1,920,277	2,154,735
	\$ 6,803,772	\$ 7,829,756
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 709,348	\$ 721,492
Deferred revenue	126,796	235,786
Lease liability	234,883	224,389
Total Current Liabilities	1,071,027	1,181,667
Lease liability	1,833,100	2,067,983
	2,904,127	3,249,650
 Net Assets		
Without donor restrictions	2,463,433	2,341,683
With donor restrictions	1,436,212	2,238,423
Total Net Assets	3,899,645	4,580,106
	\$ 6,803,772	\$ 7,829,756

See notes to financial statements

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Statement of Activities
Year Ended December 31, 2024
(with summarized totals for the year ended December 31, 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE AND SUPPORT				
Governmental income	\$ 3,430,515	\$ -	\$ 3,430,515	\$2,761,495
Service fees income	2,041,917	-	2,041,917	1,400,721
Fundraising events	218,500	-	218,500	130,780
Contributions				
Foundation	527,000	473,896	1,000,896	1,029,489
Corporate	115,163	660,000	775,163	242,275
Individual	35,228	-	35,228	19,810
In-kind contributions	157,223	-	157,223	288,149
Other income	3,940	-	3,940	78,932
Net assets released from restrictions	1,936,107	(1,936,107)	-	-
Total Revenue and Support	<u>8,465,593</u>	<u>(802,211)</u>	<u>7,663,382</u>	<u>5,951,651</u>
EXPENSES				
Program	6,387,115	-	6,387,115	5,303,554
Management and general	1,074,987	-	1,074,987	1,310,902
Fundraising	881,741	-	881,741	645,011
Total Expenses	<u>8,343,843</u>	<u>-</u>	<u>8,343,843</u>	<u>7,259,467</u>
Change in Net Assets	121,750	(802,211)	(680,461)	(1,307,816)
NET ASSETS				
Beginning of year	<u>2,341,683</u>	<u>2,238,423</u>	<u>4,580,106</u>	<u>5,887,922</u>
End of year	<u>\$ 2,463,433</u>	<u>\$ 1,436,212</u>	<u>\$ 3,899,645</u>	<u>\$4,580,106</u>

See notes to financial statements

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Statement of Functional Expenses
Year Ended December 31, 2024
(with summarized totals for the year ended December 31, 2023)

	Program	Management and General	Fundraising	2024 Total	2023 Total
Salaries and benefits	\$ 4,510,538	\$ 802,609	\$ 434,168	\$ 5,747,315	\$ 5,189,745
Contract services	1,147,567	55,873	400,606	1,604,046	900,874
Donated goods and services	157,223	-	-	157,223	288,149
Office expenses	188,664	43,084	21,701	253,450	250,147
Facilities and equipment	283,290	46,726	20,897	350,912	324,907
Travel and meetings	57,499	10,082	2,935	70,517	96,030
Other expenses	20,906	51,442	1,434	73,781	148,673
Business expenses	21,428	52,683	-	74,110	48,453
Depreciation expense	-	12,489	-	12,489	12,489
Total Expenses	<u>\$ 6,387,115</u>	<u>\$ 1,074,987</u>	<u>\$ 881,741</u>	<u>\$ 8,343,843</u>	<u>\$ 7,259,467</u>

See notes to financial statements

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Statement of Cash Flows
Year Ended December 31, 2024
(with comparative amounts for the year ended December 31, 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (680,461)	\$(1,307,816)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	12,489	12,489
Loss on asset impairment	-	966
Amortization of right of use asset	234,458	230,684
Changes in Operating Assets and Liabilities		
Contributions receivable	722,947	1,060,258
Government grants and service fee receivables	267,649	(363,015)
Prepaid expenses	(11,530)	29,455
Security deposits	3,000	(3,000)
Accounts payable and accrued expenses	(12,144)	(124,699)
Deferred revenue	(108,990)	22,586
Lease liability	(224,389)	(214,233)
Net Change in Cash and Cash Equivalents	203,029	(656,325)
 CASH AND CASH EQUIVALENTS		
Beginning of year	1,541,708	2,198,033
End of year	\$ 1,744,737	\$ 1,541,708

See notes to financial statements

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

1. Organization

Nature of Business

CEC Stuyvesant Cove, Inc. (d/b/a Solar One) ("Solar One") was incorporated on May 16, 2003 under the laws of the State of New York.

Solar One is a New York not-for-profit corporation, which educates individuals about the critical environmental issues facing the New York Metropolitan area and maintains a park and environmental learning center. Solar One is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Solar One considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents.

Net Asset Classification

Net assets without donor restrictions include funds having no restriction as to use or purpose imposed by donors. Net assets with donor restrictions are those whose use is limited by donors to a specific time period or purpose or limited by donors for investment in perpetuity. There were no net assets limited by donors for investment in perpetuity as of December 31, 2024 and 2023.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is based on management's review of outstanding balances, credit history and other factors. Management believes that all contribution and government grants receivables are collectible and, accordingly, no provision for doubtful collection is deemed necessary.

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies (continued)

Equipment and Leasehold Improvements

Equipment and leasehold improvements are recorded at cost or, for donated items, at fair value at date of donation. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. The range of these lives is 3 to 5 years. Solar One capitalizes equipment over \$5,000 with a life greater than a year.

Equipment and leasehold improvements are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is identified. If the carrying amount for the asset is not recoverable, the value is written down to the asset's fair value less costs to sell. There were no asset impairments for the year ended December 31, 2024 and there was an asset impairment of \$966 for the year ended December 31, 2023.

Leases

Leases are included in right-of-use ("ROU") assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. Solar One does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Solar One's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Contributions

Contributions, including promises to give, are recorded when received as net assets without donor restrictions unless donor stipulations limit the use of the donation. When a donor restriction expires, that is, when a stipulated purpose restriction is accomplished or time restriction has lapsed, net assets with donor restrictions are released to net assets without donor restrictions.

In-kind Contributions

Contributions of services are recognized at fair value when they are received if the services either create or enhance nonfinancial assets, or require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not donated. Donated goods distributed are recorded as income and expense at the time they are received which is normally also the time they are placed into service or distributed.

Government Grants

Solar One's government grants are reported as revenue when the related expenses are incurred. Such revenue is limited for the use specified by the contracting government agency, who monitors costs incurred.

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies (continued)

Service Fee Contracts

Solar One's service fee contracts are recognized as services are performed. At December 31, 2024, all contracts and service fee receivables are due in 2025.

Service fee receivables are recorded at amortized cost less an allowance for credit losses that are not expected to be recovered. The amount of service fee receivables and corresponding allowance for credit losses are presented on the statement of financial position. Solar One maintains allowances for credit losses resulting from the expected failure or inability of its customers to make required payments. Solar One recognizes the allowance for credit losses at inception and reassesses at every reporting date based on the asset's expected collectability. The allowance is based on multiple factors including historical experience with uncollectible accounts, the credit quality of the customer base, the aging of such receivables and current macroeconomic conditions, as well as expectations of conditions in the future, if applicable. Solar One records a provision for expected credit losses using a historical loss-rate method based on the ratio of its historical write-offs to its average trade receivable.

Solar One writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with Solar One's accounting policy election.

The beginning and ending service fee contract balances were as follows:

	December 31,		
	2024	2023	2022
Service fee contract assets	\$ -	\$ -	\$ -
Service fee contract liabilities	126,796	235,786	213,200
Service fee receivables	596,362	458,921	476,092

Performance-based contract revenue is recorded when the performance tests have been met. Expenditures related to the performance-based contracts are recorded when the expenditures are incurred. Service fees are recognized when services are rendered and when collection is reasonably assured.

Advertising Costs

All publicity and advertising costs are expensed as incurred. Advertising expenses for the years ended December 31, 2024 and 2023 were \$0 and \$117.

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services in reasonable ratios determined by management. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function, specifically program services which consist of green hard skills technical training, environmental STEM education, and solar and resiliency education and initiatives. Certain expenses are attributable to more than one program or supporting function and have been allocated among program services, management and general and fundraising. These expenses include salaries and benefits, insurance, rent and utilities, computer and other office expenses, telephone among others, which are allocated based on estimates of time and effort.

Accounting for Uncertainty in Income Taxes

Solar One recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that Solar One had no uncertain tax positions that would require financial statement recognition or disclosure. Solar One is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to 2021.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total only, which does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with Solar One's financial statements for 2023, from which the summarized information was derived.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is August 6, 2025.

3. Concentration of Credit Risk

Financial instruments that potentially subject Solar One to concentrations of credit and market risk consist principally of cash and cash equivalents and receivables. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") are insured up to \$250,000.

Government grants receivable are principally from federal, state and city government agencies.

At December 31, 2024, Solar One did not have a material concentration within contributions receivable. Solar One had amounts due of \$900,000 from one donor as of December 31, 2023.

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

4. Contributions Receivable

At December 31, 2024 and 2023, contributions receivable were due within one year.

5. Loan Receivable

On December 20, 2019, Solar One entered into a predevelopment loan agreement to lend a Massachusetts energy cooperative \$66,000 to pay for solar equipment. The loan did not accrue any interest until April 1, 2020. If the loan is not repaid in full by April 1, 2020, it will accrue interest of \$25 per calendar day starting on April 2, 2020. Solar One elected to waive the interest due to delays caused by the coronavirus pandemic and no interest has been charged to date. There is no expiration date on this loan agreement and \$10,000 was paid during 2024. At December 31, 2024, management provided a full allowance against the remaining balance of the loan of \$56,000. At December 31, 2023, management provided a full allowance against the loan of \$66,000.

6. Equipment and Leasehold Improvements

Equipment and leasehold improvements consist of the following at December 31:

	2024	2023
Leasehold improvements	\$ 52,403	\$ 52,403
Equipment	47,390	47,390
Construction in progress	1,551,779	1,551,779
	1,651,572	1,651,572
Less accumulated depreciation	32,524	20,035
	<u>\$ 1,619,048</u>	<u>\$ 1,631,537</u>

Construction in progress consists principally of architectural and engineering fees for the construction of the Solar One Environmental Education Center (“S1EEC”). During 2017, Solar One executed an agreement with the New York City Economic Development Corporation (“NYC EDC”), where NYC EDC and Solar One would be responsible to design, construct and manage S1EEC. S1EEC will be a state of the art facility for Solar One’s environmental educational programs.

7. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at December 31:

	2024	2023
Green Design Lab	\$ 99,730	\$ 172,309
S1EEC	117,085	267,085
Green Workforce	411,634	914,030
Here Comes Solar	807,763	884,999
	<u>\$ 1,436,212</u>	<u>\$ 2,238,423</u>

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

8. Net Assets Released from Restrictions

Net assets were released from restriction for the following purposes for the years ended December 31:

	2024	2023
Green Design Lab	\$ 353,308	\$ 476,804
S1EEC	150,000	-
Green Workforce	749,893	704,344
Here Comes Solar	682,906	701,186
Leadership	-	104,926
	\$ 1,936,107	\$ 1,987,260

9. Loan Payable

Solar One has a \$425,000 program-related investment working capital facility from a foundation that Solar One can draw on for the operations of its programs. The maturity date for any outstanding and additional advances is May 31, 2029. Interest is payable quarterly and bears a floating interest of the prime rate as published in the Wall Street Journal plus 3.00% only on amounts drawn down. Amounts drawn on the working capital facility are secured by Solar One’s assets. The working capital facility required Solar One to open an “Earmarked Fund Account-Money Market” (“EFA”) with another foundation and deposit all of the loan proceeds in such EFA. Funds may be withdrawn or deposited from and to the EFA on five business days’ notice to the foundation and shall be limited to three withdrawals and two deposits per month. There were no amounts drawn upon or outstanding under the EFA as of December 31, 2024 and 2023.

10. In-kind Contributions

In-kind contributions are comprised of professional and legal services and donated goods, which are reflected in the accompanying financial statements as in-kind contributions revenue and donated goods and services within program services and management and general in the statement of functional expenses. Donated services are valued based on the hourly rate and expenses incurred by the independent contractors. Donated goods are valued based on the cost of the goods. The value of professional services for the years ended December 31, 2024 and 2023 totaled \$150,234 and \$288,149. The value of the donated goods for the years ended December 31, 2024 and 2023 was \$6,989 and \$0. There were no in-kind contributions that were restricted by donors.

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

11. Commitments and Contingencies

Commitments

Solar One evaluates contracts to determine if they meet the criteria of a lease. The ROU assets represent Solar One's right to use underlying assets for the lease term, and the lease liabilities represent Solar One's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from an operating lease, were calculated based on the present value of future lease payments over the lease term. Solar One uses a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments.

Effective March 1, 2022, Solar One entered into a 10 year and 5 month non-cancelable lease agreement for warehouse and office space.

As of December 31, 2024 and 2023, the weighted-average remaining lease terms for Solar One's operating leases was 7 years and 7 months and 8 years and 7 months months and the weighted average discount rate was 1.72%. Amortization of ROU asset during 2024 and 2023 was \$234,458 and \$230,684. Cash paid for operating leases for the years ended December 31, 2024 and 2023 was \$261,693 and \$255,310.

Solar One amortizes the operating lease ROU asset over the life of the lease agreement. The ROU asset consist of the following at December 31,:

	2024	2023
Right of use asset	\$ 2,575,190	\$2,575,190
Less: Accumulated amortization	(654,913)	(420,455)
Present value of right of use asset	\$ 1,920,277	\$2,154,735

Future maturities of the lease liability are presented in the following table, for the fiscal years ending December 31:

2025	\$ 268,236
2026	274,941
2027	281,815
2028	288,860
2029	296,081
Thereafter	798,631
Total undiscounted cash flows	2,208,564
Less present value discount	(140,581)
	\$2,067,983

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

11. Commitments and Contingencies (continued)

Commitments (continued)

A breakdown of facilities and equipment expenses at December 31 is as follows:

	2024	2023
Operating leases	\$ 271,760	\$ 273,603
Short-term leases	22,500	13,000
Variable lease payments	56,652	38,304
	\$ 350,912	\$ 324,907

Solar One has an outstanding irrevocable standby letter for credit in the amount of \$84,226. The letter of credit is used to provide a security deposit for the lease of Solar One's premises. The letter of credit is collateralized by a money market account included in the 2024 and 2023 cash and cash equivalents and amounts to \$89,659 and \$87,255 with a 2.05% and 2.92% interest rate at December 31, 2024 and 2023.

Contingencies

NYC EDC has a thirty-year lease agreement with the City of New York for \$1 a year for the blacktop area at the north end of Stuyvesant Cove Park and assigned the lease to another non-profit organization upon the execution of the lease. The non-profit organization assigned the lease to Solar One in 2004. The agreement, which expires in October of 2032 has the option to extend this lease for two additional five year periods expiring in 2042. The lease is contingent upon the construction of S1EEC.

Expenditures related to government grants can be subject to audit by the respective funding sources. Management believes that the results of any such audit would not have an adverse effect on the financial statements.

CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Notes to Financial Statements
December 31, 2024

12. Liquidity and Availability of Financial Assets

Solar One’s financial assets and resources available to meet cash needs for general expenditures within one year of the date of the statement of financial position were as follows as of December 31:

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 1,744,737	\$ 1,541,708
Contributions receivable	228,633	951,580
Government grants and service fee receivables	1,272,637	1,540,286
Total Financial Assets	3,246,007	4,033,574
Less: Contractual or donor imposed restrictions amounts		
Letter of credit	84,226	84,226
Restricted by donor with purpose restrictions	1,436,212	2,238,423
	1,520,438	2,322,649
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 1,725,569	\$ 1,710,925

As part of Solar One’s liquidity management strategy, Solar One structures its financial assets to be available as its general expenditures, liabilities and other obligations come due. Solar One’s working capital and cash flows have cyclical variations during the year attributable to the cash receipts of service fees and contributions from donors. A majority of general expenditures over the next twelve months are financed through cash and receivables. In the event of financial distress or an immediate liquidity need resulting from events outside the typical lifecycle of converting financial assets to cash or settling financial liabilities, Solar One established a \$425,000 program-related investment loan to provide working capital for its operation.

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CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)

Uniform Guidance Reports and Schedules

December 31, 2024

**CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)**

Schedule of Expenditures of Federal Awards and Accompanying Notes
Year Ended December 31, 2024

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identification Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditure</u>
U.S. Department of Housing and Urban Development:				
CDBG -Disaster Recovery Grants – Pub. L. No. 113-2 Cluster				
Pass-through Governor's Office of Storm Recovery:				
Hurricane Sandy Community Development Block Grant				
Disaster Recovery Grants (CDBG-DR)	14.269	B-13-DS-36-0001	\$ -	\$ 492,308
Department of Commerce:				
NOAA Mission-Related Education Awards	11.008		-	239,363
U.S. Department of Energy				
Energy Efficiency and Renewable Energy Information				
Dissemination, Outreach, Training and				
Technical Analysis/Assistance	81.117		-	140,331
Total Expenditures of Federal Awards			<u>\$ -</u>	<u>\$ 872,002</u>

1. Basis of Presentation

The Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of CEC Stuyvesant Cove, Inc. (d/b/a Solar One) ("Solar One") under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of Solar One, it is not intended to and does not present the financial position, changes in net assets or cash flows of Solar One.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

Solar One has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

Independent Auditors' Report

**Board of Directors
CEC Stuyvesant Cove, Inc. (d/b/a Solar One)**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of CEC Stuyvesant Cove, Inc. (d/b/a Solar One) ("Solar One") which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 6, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Solar One's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Solar One's internal control. Accordingly, we do not express an opinion on the effectiveness of Solar One's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Solar One's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

August 6, 2025



Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditors' Report

**Board of Directors
CEC Stuyvesant Cove, Inc. (d/b/a Solar One)**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited CEC Stuyvesant Cove, Inc.'s (d/b/a Solar One) ("Solar One") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Solar One's major federal programs for the year ended December 31, 2024. Solar One's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Solar One complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Solar One and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Solar One's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Solar One's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Solar One's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Solar One's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Solar One's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Solar One's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Solar One's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Report on Internal Control over Compliance (*continued*)

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

PKF O'Connor Davies, LLP

August 6, 2025

**CEC Stuyvesant Cove, Inc.
(d/b/a Solar One)**

Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.269	CDBG -Disaster Recovery Grants – Pub. L. No. 113-2 Cluster Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

Section II – Financial Statement Findings

During our audit, we noted no material findings for the year ended December 31, 2024.

Section III – Federal Award Findings and Questioned Costs

During our audit, we noted no material instances of noncompliance and none of the costs reported in the federal financially assisted programs are questioned or recommended to be disallowed.