

**NEW YORK CITY RELIEF, INC.**

FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITOR'S REPORT  
DECEMBER 31, 2015

Fylstra & Associates, LLC  
Certified Public Accountants  
Allendale, New Jersey

NEW YORK CITY RELIEF, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
New York City Relief, Inc.

We have audited the accompanying financial statements of New York City Relief, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New York City Relief, Inc. as of December 31, 2015, 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.

Allendale, New Jersey  
May 10, 2016

  
Fylstra & Associates, LLC

NEW YORK CITY RELIEF, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2015

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ASSETS

Cash and cash equivalents	\$ 165,599
Property and equipment at cost, net of accumulated depreciation	<u>687,025</u>
Total assets	<u><u>\$ 852,624</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accrued expenses	\$ 3,101
Total liabilities	<u>3,101</u>

NET ASSETS:

Unrestricted	795,023
Temporarily restricted	<u>54,500</u>
Total net assets	<u>849,523</u>

Total liabilities and net assets	<u><u>\$ 852,624</u></u>
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See accompanying notes to the financial statements

NEW YORK CITY RELIEF, INC.  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2015

	Unrestricted	Temporarily Restricted	Total
<b>PUBLIC SUPPORT AND REVENUES:</b>			
Contributions	\$ 2,124,379	\$ 54,500	\$ 2,178,879
Donations in-kind	701,113		701,113
Relief base Income	73,800		73,800
Mentoring Program	13,519		13,519
Apparel & gear income	8,864		8,864
Other Income	423		423
Interest income	260		260
Net assets released from restrictions	112,000	(112,000)	
Total public support and revenues	<u>3,034,358</u>	<u>(57,500)</u>	<u>2,976,858</u>
<b>EXPENSES (Page 4):</b>			
Program services	2,311,852		2,311,852
Management and general	331,244		331,244
Fund-raising-need allocations	502,488		502,488
Total expenses	<u>3,145,584</u>		<u>3,145,584</u>
<b>CHANGE IN NET ASSETS</b>	(111,226)	(57,500)	(168,726)
<b>NET ASSETS AT BEGINNING OF THE YEAR</b>	<u>906,249</u>	<u>112,000</u>	<u>1,018,249</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 795,023</u>	<u>\$ 54,500</u>	<u>\$ 849,523</u>

See accompanying notes to the financial statements

NEW YORK CITY RELIEF, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015

Item of Expense	Program Services	Management and General	Fund- Raising	Total
Salaries	\$ 975,122	\$ 190,564	\$ 237,878	\$ 1,403,564
Payroll taxes	79,141	15,466	19,306	113,913
Employee benefits	119,951	17,767	42,207	179,925
Vehicle expenses	81,749			81,749
Food	312,062			312,062
Outreach clothing	54,594			54,594
Supplies	33,237			33,237
Office		24,414		24,414
Mentoring program	8,502			8,502
Uniforms	6,989			6,989
Education and training	15,360			15,360
Business meals	5,994			5,994
Insurance	47,500	6,333	9,500	63,333
Fees and permits		1,744		1,744
Printing	6,354	3,813	22,127	32,294
Repairs and maintenance	12,608	4,929		17,537
Telephone	24,417			24,417
Volunteer services	408,871			408,871
Volunteer expense	23,755			23,755
Credit card and finance fees		17,180		17,180
Contributions		9,900		9,900
Data processing		5,625		5,625
Website		4,498		4,498
Equipment expense	5,523			5,523
Postage	2,618	2,618	7,115	12,351
Professional fees		9,650		9,650
Travel			8,035	8,035
Utilities	13,863			13,863
Fundraising			156,320	156,320
Staff relations		7,806		7,806
Miscellaneous expense		19		19
Total before depreciation	2,238,210	322,326	502,488	3,063,024
Depreciation	73,642	8,918		82,560
Total	\$ 2,311,852	\$ 331,244	\$ 502,488	\$ 3,145,584

See accompanying notes to the financial statements.

NEW YORK CITY RELIEF, INC.  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2015

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CASH PROVIDED BY (APPLIED TO) OPERATING ACTIVITIES:	
Change in net assets	\$ (168,726)
Adjustments to reconcile net change in net assets to net cash provided by operating activities:	
Depreciation	82,560
Changes in operating assets and liabilities:	
Accrued expenses	3,101
Net cash provided by (applied to) operating activities	<u>(83,065)</u>
CASH PROVIDED BY (APPLIED TO) INVESTING ACTIVITIES:	
Purchase of property and equipment	<u>(20,800)</u>
Net cash provided by (applied to) investing activities	<u>(20,800)</u>
NET INCREASE (DECREASE) IN CASH	(103,865)
CASH AT BEGINNING OF YEAR	<u>269,464</u>
CASH AT END OF YEAR	<u>\$ 165,599</u>

See accompanying notes to the financial statements

NEW YORK CITY RELIEF, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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1. Nature of Activities:

Organization - New York City Relief, Inc. is a not-for-profit organization whose purpose is to feed, clothe and minister to the daily needs of the homeless of all nations, while at the same time sharing the Christian faith and good news of Jesus Christ.

2. Summary of Significant Accounting Policies:

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the organization and/or the passage of time. Generally, the donors of these assets permit the use of all or part of the income earned on any related investments for general or specific purposes.

Revenue Recognition - The financial statements are prepared on the accrual basis of accounting, whereby income is recorded when earned and expenses when incurred.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes - The Organization is a not-for-profit organization exempt from federal and state income taxes under section 501(c)(3) of the Internal Revenue Code. There is, therefore, no provision for income taxes in these financial statements. Annually, the Organization files Form 990, Return of Organizations Exempt from Income Tax with the Internal Revenue Service. This form is open for public inspection. The Organization believes that it has appropriate support for all tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. Tax returns are open for examination by the Internal Revenue Service for three years after filing. Returns for this year and the last three years remain open.



NEW YORK CITY RELIEF, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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2. Summary of Significant Accounting Policies (continued):

Cash and Cash Equivalents - The Organization considers all cash on hand and in the bank, money market funds, and certificates of deposit with an original maturity of less than three months to be cash equivalents.

Contributions - Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Property and Equipment - Property and equipment over \$1,000 are recorded at cost or if donated as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the various assets.

Subsequent Events - The Organization has evaluated subsequent events for potential recognition or disclosure through May 10, 2016, the date the financial statements were available to be issued.

3. Property and Equipment:

Property and equipment is summarized as follows:

Land	\$ 106,080
Building	244,319
Leasehold improvements	364,149
Furniture & fixtures	13,623
Office equipment	13,378
Computer equipment	31,043
Machinery & equipment	39,819
Vehicles	398,110
	<u>1,210,521</u>
Less accumulated depreciation	523,496
	<u><u>\$ 687,025</u></u>

NEW YORK CITY RELIEF, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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4. Bank Line of Credit:

The Organization has an operating line-of-credit arrangement with an area bank, with interest at the prime rate plus 1.00%. The line-of credit limit is \$100,000 with no current outstanding balance.