



NEW YORK CITY RELIEF, INC.

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2016

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, 2016, 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, 2016, 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
October 23, 2017

A handwritten signature in black ink that reads "Fylstra & Associates, LLC".

Fylstra & Associates, LLC

NEW YORK CITY RELIEF, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2016

ASSETS

Cash and cash equivalents	\$ 96,760
Contributions receivable	15,000
Prepaid expense	22,436
Property and equipment at cost, net of accumulated depreciation	<u>653,085</u>
Total assets	<u>\$ 787,281</u>

LIABILITIES AND NET ASSETS

LIABILITIES:

Accounts payable and accrued expenses	\$ 11,662
Bank line of credit	<u>27,440</u>
Total liabilities	<u>39,102</u>

NET ASSETS:

Unrestricted	708,179
Temporarily restricted	<u>40,000</u>
Total net assets	<u>748,179</u>

Total liabilities and net assets	<u>\$ 787,281</u>
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See accompanying notes to the financial statements

NEW YORK CITY RELIEF, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2016

	Unrestricted	Temporarily Restricted	Total
PUBLIC SUPPORT AND REVENUES:			
Contributions	\$ 2,554,345	\$ 40,000	\$ 2,594,345
Donations in-kind	610,545		610,545
Relief base Income	81,308		81,308
Mentoring Program	6,850		6,850
Apparel & gear income	11,105		11,105
Other Income	5,558		5,558
Interest income	251		251
Realized loss on sale of real estate	(39,173)		(39,173)
Net assets released from restrictions	54,500	(54,500)	
Total public support and revenues	<u>3,285,289</u>	<u>(14,500)</u>	<u>3,270,789</u>
EXPENSES (Page 4):			
Program services	2,450,314		2,450,314
Management and general	412,586		412,586
Fund-raising	509,233		509,233
Total expenses	<u>3,372,133</u>		<u>3,372,133</u>
CHANGE IN NET ASSETS	(86,844)	(14,500)	(101,344)
NET ASSETS AT BEGINNING OF THE YEAR	<u>795,023</u>	<u>54,500</u>	<u>849,523</u>
NET ASSETS AT END OF YEAR	<u>\$ 708,179</u>	<u>\$ 40,000</u>	<u>\$ 748,179</u>

See accompanying notes to the financial statements

NEW YORK CITY RELIEF, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016

Item of Expense	Program Services	Management and General	Fund- Raising	Total
Salaries	\$ 1,137,307	\$ 267,097	\$ 219,398	\$ 1,623,802
Payroll taxes	95,488	22,425	18,421	136,334
Employee benefits	149,395	35,086	28,820	213,301
Vehicle expenses	81,320			81,320
Food	272,063			272,063
Outreach clothing	56,539			56,539
Supplies	35,719			35,719
Office		16,853		16,853
Mentoring program	8,896			8,896
Uniforms	2,847			2,847
Rescue Alliance Joint Venture	9,000			9,000
Education and training	6,547	569	657	7,773
Business meals	2,482	3,721	5,998	12,201
Insurance	38,209	7,642	5,094	50,945
Fees and permits		1,878		1,878
Printing	7,106		28,992	36,098
Repairs and maintenance	5,465	16,111		21,576
Telephone	15,115	3,550	2,916	21,581
Volunteer services	360,990			360,990
Volunteer expense	26,582			26,582
Credit card and finance fees	21,875			21,875
Interest expense		2,891		2,891
Contributions		5,020		5,020
Data processing		6,278		6,278
Website	11,522			11,522
Equipment expense	8,506	2,079		10,585
Postage	5,416	441	10,463	16,320
Professional fees		7,349		7,349
Travel			8,313	8,313
Utilities	13,046			13,046
Fundraising			177,586	177,586
Staff relations	5,146	2,865		8,011
Miscellaneous expense	1,336	2,023	2,575	5,934
Total before depreciation	2,377,917	403,878	509,233	3,291,028
Depreciation	72,397	8,708		81,105
Total	\$ 2,450,314	\$ 412,586	\$ 509,233	\$ 3,372,133

See accompanying notes to the financial statements.

NEW YORK CITY RELIEF, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2016

CASH PROVIDED BY (APPLIED TO) OPERATING ACTIVITIES:	
Change in net assets	\$ (101,344)
Adjustments to reconcile net change in net assets to net cash provided by operating activities:	
Depreciation	81,105
Loss on sale of land	39,172
Changes in operating assets and liabilities:	
Receivables	(15,000)
Prepaid expense	(22,436)
Accounts payable and accrued expenses	8,561
Net cash provided by (applied to) operating activities	<u>(9,942)</u>
CASH PROVIDED BY (APPLIED TO) INVESTING ACTIVITIES:	
Proceeds from sale of land	5,828
Purchase of property and equipment	(92,165)
Net cash provided by (applied to) investing activities	<u>(86,337)</u>
CASH PROVIDED BY (APPLIED TO) FINANCING ACTIVITIES:	
Increase (decrease) in bank line of credit	27,440
Net cash provided by (applied to) financing activities	<u>27,440</u>
NET INCREASE (DECREASE) IN CASH	(68,839)
	<u>165,599</u>
CASH AT END OF YEAR	<u>\$ 96,760</u>
SUPPLEMENTAL DISCLOSURE:	
Interest paid	<u>\$ 2,891</u>

See accompanying notes to the financial statements

NEW YORK CITY RELIEF, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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, 2016

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 October 23, 2017, the date the financial statements were available to be issued.

3. Property and Equipment:

Property and equipment is summarized as follows:

Land	\$ 61,080
Building	244,319
Leasehold improvements	364,149
Furniture & fixtures	20,307
Office equipment	13,378
Computer equipment	64,960
Machinery & equipment	43,483
Vehicles	446,010
	<u>1,257,686</u>
Less accumulated depreciation	604,601
	<u><u>\$ 653,085</u></u>

NEW YORK CITY RELIEF, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

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 \$150,000 with an outstanding balance of \$27,440.