

NYC Medics

Financial Statements

December 31, 2016 and 2015

Independent Accountants' Review Report

Board of Directors NYC Medics

We have reviewed the accompanying financial statements of NYC Medics (the "Organization"), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

PKF O'Connor Davies, LLP

Newburgh, New York
November 15, 2017

NYC Medics

Statements of Financial Position

	December 31,	
	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and cash equivalents	\$ 14,411	\$ 90,517
Security deposit	<u>2,425</u>	<u>2,425</u>
	<u>\$ 16,836</u>	<u>\$ 92,942</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 35,588	\$ 5,000
Net Assets - Unrestricted	<u>(18,752)</u>	<u>87,942</u>
	<u>\$ 16,836</u>	<u>\$ 92,942</u>

See notes to financial statements and independent accountants' review report

NYC Medics

Statements of Activities

	Year Ended December 31,	
	2016	2015
UNRESTRICTED REVENUE		
Contributions	\$ 51,724	\$ 366,051
In-kind contributions	39,000	133,001
Fundraising	537	-
Other revenue	248	-
Total Revenue	<u>91,509</u>	<u>499,052</u>
EXPENSES		
Program services	121,367	358,138
Management and general	63,758	75,281
Fundraising	13,078	17,931
Total Expenses	<u>198,203</u>	<u>451,350</u>
Change in Net Assets	(106,694)	47,702
NET ASSETS - UNRESTRICTED		
Beginning of year	<u>87,942</u>	<u>40,240</u>
End of year	<u>\$ (18,752)</u>	<u>\$ 87,942</u>

See notes to financial statements and independent accountants' review report

NYC Medics

Statement of Functional Expenses Year Ended December 31, 2016

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 51,519	\$ 13,787	\$ 7,256	\$ 72,562
Payroll taxes	3,943	1,055	556	5,554
Disaster relief supplies	8,391	-	-	8,391
Accounting fees	-	8,000	-	8,000
Insurance	2,781	8,342	-	11,123
Office expense	-	2,184	-	2,184
Rent	-	29,284	-	29,284
Utilities	-	497	-	497
Bank fees	-	230	-	230
Fundraising	-	-	5,266	5,266
Telephone	150	-	-	150
Travel	12,270	379	-	12,649
Advertising	<u>42,313</u>	<u>-</u>	<u>-</u>	<u>42,313</u>
Total Expenses	<u>\$ 121,367</u>	<u>\$ 63,758</u>	<u>\$ 13,078</u>	<u>\$ 198,203</u>

See notes to financial statements and independent accountants' review report

NYC Medics

Statement of Functional Expenses
Year Ended December 31, 2015

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 67,887	\$ 18,167	\$ 9,562	\$ 95,616
Payroll taxes	5,806	1,554	818	8,178
Disaster relief supplies	171,322	-	-	171,322
Accounting fees	-	6,500	-	6,500
Insurance	1,777	5,330	-	7,107
Office expense	-	6,240	-	6,240
Rent	-	32,894	-	32,894
Utilities	-	963	-	963
Bank fees	-	161	-	161
Fundraising	-	-	7,551	7,551
System development supplies	5,200	-	-	5,200
Telephone	1,358	-	-	1,358
Travel	104,788	3,241	-	108,029
Payroll processing fee	-	231	-	231
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Total Expenses	<u>\$ 358,138</u>	<u>\$ 75,281</u>	<u>\$ 17,931</u>	<u>\$ 451,350</u>

See notes to financial statements and independent accountants' review report

NYC Medics

Statements of Cash Flows

	Year Ended December 31,	
	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (106,694)	\$ 47,702
Adjustments to reconcile change in net assets to net cash from operating activities		
Changes in operating assets and liabilities		
Security deposit	-	(2,425)
Accounts payable	<u>30,588</u>	<u>5,000</u>
Net Cash from Operating Activities	<u>(76,106)</u>	<u>50,277</u>
Net Change in Cash and Cash Equivalents	(76,106)	50,277
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>90,517</u>	<u>40,240</u>
End of year	<u>\$ 14,411</u>	<u>\$ 90,517</u>

See notes to financial statements and independent accountants' review report

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Notes to Financial Statements
December 31, 2016 and 2015

1. Organization

NYC Medics (the "Organization") was founded in 2006 to rapidly deploy to remote and difficult to reach areas in global disaster zones and complex humanitarian emergencies. Providing the highest level of care with dignity and compassion to the people who would otherwise not have access to aid and relief efforts.

The Internal Revenue Service has determined that the Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

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

Cash and cash equivalents consist of highly liquid debt instruments with maturities of three months or less at the time of purchase.

Net Assets

Net assets are classified based on the existence or absence of donor-imposed restrictions. During 2016 and 2015 the Organization had no temporarily restricted or permanently restricted net assets.

Revenue Recognition

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Contributions are recorded as temporarily or permanently restricted net assets and revenue and support if they are received with donor imposed stipulations that limit their use. Donor restrictions expire by either the passage of stipulated time or the accomplishment of the stated purpose. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Temporarily restricted contributions that are received and expended in the same period are considered unrestricted.

In-kind Contributions

In-kind contributions are recorded as contributions at their estimated fair values at the date of donation.

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Notes to Financial Statements
December 31, 2016 and 2015

2. **Summary of Significant Accounting Policies (continued)**

Functional Allocation of Expenses

The costs of providing services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising

The Organization expenses advertising costs as incurred. Advertising costs for the years ended December 31, 2016 and 2015 were \$42,313 and \$0.

Accounting for Uncertainty in Income Taxes

The Organization recognizes the effects of income tax positions only when they are more likely than not to be sustained. Management has determined that the Organization had no uncertain tax positions that would require financial statement recognition and/or disclosure. The Organization is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to December 31, 2013.

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 November 15, 2017.

3. **Operating Lease**

The Organization has one operating lease agreement expiring through December 31, 2016 for rental of its administrative office space located in New York, New York. Total rent expense for December 31, 2016 and 2015 is \$29,284 and \$32,894.

4. **Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist principally of cash and cash equivalents. At times cash balances held at financial institutions may be in excess of federally insured limits. The Organization has not experienced any losses on its cash deposits.

5. **Subsequent Event**

During 2017, board members made temporarily loans to the Organization pending receipt of grant funds for programs and operations. The temporary loans were necessary to support current obligations and operations of the Organizations due to the loss incurred in 2016 and resulting negative cash flows from operations.

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