



NEW YORK CITY
RESCUE MISSION

NEW YORK CITY RESCUE MISSION, INC.
(A Subsidiary of Christian Herald Association, Inc.)

Financial Statements
With Independent Auditors' Report

September 30, 2021 and 2020

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

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INDEPENDENT AUDITORS' REPORT

Board of Directors

New York City Rescue Mission, Inc. (A Subsidiary of Christian Herald Association, Inc.)

New York, New York

We have audited the accompanying financial statements of New York City Rescue Mission, Inc. (a subsidiary of Christian Herald Association, Inc.), which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities, cash flows and functional expenses for the years 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.

Auditors' Responsibility

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

Board of Directors
New York City Rescue Mission, Inc. (A Subsidiary of Christian Herald Association, Inc.)
New York, New York

Opinion

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of New York City Rescue Mission, Inc. (a subsidiary of Christian Herald Association, Inc.) as of September 30, 2021 and 2020, and the changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Capin Crouse LLP

New York, New York
July 8, 2022

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Statements of Financial Position

	September 30,	
	2021	2020
ASSETS:		
Cash and cash equivalents	\$ 335,588	\$ 722,000
Accounts and other receivables	4,528	15,974
Prepaid expenses	63,912	46,971
Deposits and other assets	2,300	2,300
Land, buildings and equipment-net	26,601,342	26,714,183
Total Assets	\$ 27,007,670	\$ 27,501,428
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 294,067	\$ 336,218
Due to related organizations (Note 8)	1,729,228	1,978,336
Paycheck Protection Program loan	-	318,245
Note payable - recoverable subsidy	2,700,000	2,700,000
Total liabilities	4,723,295	5,332,799
Net assets:		
Without donor restrictions	22,284,375	22,168,629
With donor restrictions	-	-
Total net assets	22,284,375	22,168,629
Total Liabilities and Net Assets	\$ 27,007,670	\$ 27,501,428

See notes to financial statements

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Statements of Activities

	Year Ended September 30,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE AND RECLASSIFICATIONS:						
Contributions	\$ 2,758,201	\$ -	\$ 2,758,201	\$ 3,951,500	\$ -	\$ 3,951,500
Gifts-in-kind	936,704	-	936,704	779,235	-	779,235
Gain on extinguishment of debt (Note 2)	318,245	-	318,245	-	-	-
Other income	400,802	-	400,802	317,549	-	317,549
Total Support, Revenue and Reclassifications	4,413,952	-	4,413,952	5,048,284	-	5,048,284
EXPENSES:						
Program services	3,701,270	-	3,701,270	3,161,891	-	3,161,891
Supporting services:						
Management and general	103,623	-	103,623	190,387	-	190,387
Fundraising	493,313	-	493,313	740,099	-	740,099
Total supporting activities	596,936	-	596,936	930,486	-	930,486
Total Expenses	4,298,206	-	4,298,206	4,092,377	-	4,092,377
Change in Net Assets	115,746	-	115,746	955,907	-	955,907
Net Assets, Beginning of Year	22,168,629	-	22,168,629	21,212,722	-	21,212,722
Net Assets, End of Year	\$ 22,284,375	\$ -	\$ 22,284,375	\$ 22,168,629	\$ -	\$ 22,168,629

See notes to financial statements

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Statements of Cash Flows

	Year Ended September 30,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 115,746	\$ 955,907
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	333,647	312,677
Extinguishment of Paycheck Protection Program loan (Note 2)	(318,245)	-
Changes in:		
Accounts and other receivables	11,446	1,170
Due from related organizations	-	106,976
Prepaid expenses	(16,941)	(15,894)
Accounts payable and accrued expenses	(42,151)	(353,921)
Due to related organizations	(249,108)	171,017
Net Cash Provided (Used) by Operating Activities	<u>(165,606)</u>	<u>1,177,932</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of land, buildings and equipment	<u>(220,806)</u>	<u>(930,149)</u>
Net Cash Used by Investing Activities	<u>(220,806)</u>	<u>(930,149)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Paycheck Protection Program loan	-	318,245
Net Cash Provided by Investing Activities	<u>-</u>	<u>318,245</u>
Change in Cash and Cash Equivalents	(386,412)	566,028
Cash and Cash Equivalents, Beginning of Year	<u>722,000</u>	<u>155,972</u>
Cash and Cash Equivalents, End of Year	<u>\$ 335,588</u>	<u>\$ 722,000</u>
SUPPLEMENTAL DISCLOSURES:		
Non-cash financing transactions:		
Paycheck Protection Program loan forgiveness recognized as gain on extinguishment of debt (Note 2)	<u>\$ 318,245</u>	<u>\$ -</u>

See notes to financial statements

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Statement of Functional Expenses

Year Ended September 30, 2021

	Supporting Services				Total
	Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries and benefits	\$ 1,687,062	\$ 44,289	\$ 161,114	\$ 205,403	\$ 1,892,465
Food	929,644	-	-	-	929,644
Occupancy	167,326	-	6,533	6,533	173,859
Professional fees, consulting and outside services	258,203	38,992	209,203	248,195	506,398
Program and general supplies	166,027	19	75	94	166,121
Printing and postage	57	5	6,950	6,955	7,012
Insurance	50,037	4,163	-	4,163	54,200
Travel and transportation	8,901	93	345	438	9,339
Telephone and communications	32,003	833	1,836	2,669	34,672
Equipment and maintenance	75,836	6,156	17,656	23,812	99,648
Staff training and development	23,705	746	1,612	2,358	26,063
Dues, subscriptions, and books	1,633	132	2,102	2,234	3,867
Bank and credit card fees	566	1,228	42,790	44,018	44,584
Other expenses	14,426	138	2,123	2,261	16,687
Depreciation	285,844	6,829	40,974	47,803	333,647
	<u>\$ 3,701,270</u>	<u>\$ 103,623</u>	<u>\$ 493,313</u>	<u>\$ 596,936</u>	<u>\$ 4,298,206</u>
Total Expenses	<u>\$ 3,701,270</u>	<u>\$ 103,623</u>	<u>\$ 493,313</u>	<u>\$ 596,936</u>	<u>\$ 4,298,206</u>

See notes to financial statements

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Statement of Functional Expenses

Year Ended September 30, 2020

	Supporting Services				Total
	Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries and benefits	\$ 1,431,630	\$ 70,441	\$ 207,210	\$ 277,651	\$ 1,709,281
Food	752,275	-	-	-	752,275
Occupancy	213,834	178	1,300	1,478	215,312
Professional fees, consulting and outside services	174,137	91,658	399,611	491,269	665,406
Program and general supplies	186,918	259	3,668	3,927	190,845
Printing and postage	7	3,338	8,978	12,316	12,323
Insurance	44,783	5,288	-	5,288	50,071
Travel and transportation	4,958	23	945	968	5,926
Telephone and communications	32,305	111	103	214	32,519
Equipment and maintenance	41,710	10,224	19,646	29,870	71,580
Staff training and development	6,276	775	1,528	2,303	8,579
Dues, subscriptions, and books	3,883	9	2,470	2,479	6,362
Bank and credit card fees	-	670	55,795	56,465	56,465
Other expenses	631	1,108	1,017	2,125	2,756
Depreciation	268,544	6,305	37,828	44,133	312,677
	<u>\$ 3,161,891</u>	<u>\$ 190,387</u>	<u>\$ 740,099</u>	<u>\$ 930,486</u>	<u>\$ 4,092,377</u>

See notes to financial statements

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Notes to Financial Statements

September 30, 2021 and 2020

1. NATURE OF ORGANIZATION:

New York City Rescue Mission, Inc. (NYCRM) has served New Yorkers experiencing homelessness and hunger since 1872. NYCRM is a not-for-profit organization which is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state laws. However, NYCRM is subject to federal income tax on any unrelated business taxable income. In addition, NYCRM is not classified as a private foundation within the meaning of Section 509(a) of the IRC. Support and revenues are derived primarily from the general public.

On November 1, 2017, the governing board of NYCRM approved the acquisition of NYCRM by Christian Herald Association, Inc. (CHA). As a result of the vote, NYCRM became a subsidiary of CHA and CHA management assumed control of the management of NYCRM. NYCRM continues to operate as a separate 501(c)(3) entity (see Note 10). As NYCRM is a subsidiary of CHA, it is required to be consolidated with CHA. Because of this, these financial statements are included in separately issued consolidated and combined financial statements of Christian Herald Association, Inc. and Subsidiaries.

2. SIGNIFICANT ACCOUNTING POLICIES:

BASIS OF ACCOUNTING

The financial statements of NYCRM have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (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. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS AND CREDIT RISK

NYCRM considers cash and cash equivalents to be amounts in checking and savings accounts, cash on hand, and securities purchased with original maturities of three months or less. Certain items meet the definition of cash and cash equivalents but are part of a larger pool of investments and are classified as investments, if any. NYCRM's cash balances exceed federally insured limits by approximately \$-0- and \$376,000 as of September 30, 2021 and 2020, respectively. NYCRM has not experienced any losses on these accounts and management does not believe it is exposed to any significant risk. NYCRM did not have any restricted cash as of September 30, 2021 and 2020.

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Notes to Financial Statements

September 30, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

ACCOUNTS AND OTHER RECEIVABLES

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management believes all receivable balances are collectible; therefore, no provision for uncollectible accounts was made. Other receivables include unconditional promises to give that are expected to be collected in future years and are recorded at the present value of their estimated future cash flows. Management believes all pledge balances are collectible; therefore, no provision for uncollectible pledges was made. Conditional pledges to give are not included as support until the conditions are substantially met.

LAND, BUILDINGS, EQUIPMENT AND DEPRECIATION

Items capitalized as land, buildings and equipment are capitalized at cost at the date of acquisition, or fair value at the date of gift. The costs of additions and betterments are capitalized when they exceed \$5,000, and expenditures for repairs and maintenance are expensed when incurred. When items of land, buildings and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is reported as income. Depreciation of buildings and equipment is provided utilizing the straight-line method over the estimated useful lives of the respective assets as follows:

Buildings and improvements	10 to 40 years
Furniture, fixtures, vehicles and equipment	3 to 20 years

NYCRM reviews its investment in land, buildings and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property and equipment may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the land, buildings and equipment to the future net undiscounted cash flow expected to be generated by the assets and any estimated proceeds from the eventual disposition of the assets. If the land, building and equipment is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value of such assets. There were no impairment losses recognized in the years ended September 30, 2021 and 2020.

PAYCHECK PROTECTION PROGRAM LOAN

During the year ended September 30, 2020, NYCRM obtained a Paycheck Protection Program loan totaling \$318,245 on May 1, 2020, through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the Small Business Administration (SBA). The loan accrued interest at 1.00% per annum and matured two years from the date it was funded. As of September 30, 2020, the full amount was recorded as a liability on the statements of financial position. During the year ended September 30, 2021, NYCRM submitted for loan forgiveness, and notification of full loan forgiveness was received from the SBA on June 16, 2021. Revenue associated with this forgiveness amount is recorded as gain on extinguishment of debt on the statements of activities.

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Notes to Financial Statements

September 30, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

NOTE PAYABLE - RECOVERABLE SUBSIDY

NYCRM has received a Federal Home Loan Bank of New York (FHLB) recoverable subsidy of \$2,700,000 under the Affordable Housing Program (AHP) relating to facility expansion. The subsidy is conditional, including a 15 year retention period during which FHLB can recover a portion or all of the funds should NYCRM not comply with various programmatic and reporting conditions. Additionally, should NYCRM sell the related facilities prior to the expiration of the retention period, it would be required to repay the subsidy in full to FHLB.

FHLB's interest is secured through a promissory note payable and security agreement, with the related facilities as collateral. The note payable does not have principal repayment terms during the retention period. Additionally, the note payable does not provide for interest accrual or payments during the retention period, unless the note payable is determined to be in default, at which time a default rate of interest would be charged at a rate to be determined at the time of default and within local legal default rate limits. This lack of interest accrual and payment has been determined to be the market rate for the note payable under the AHP program.

Due to the terms of the subsidy and the related promissory note payable, the funds received from FHLB are reported as note payable - recoverable subsidy in the statements of financial position. At the end of the retention period, the subsidy will no longer be recoverable by the FHLB, the note payable will be cancelled, and NYCRM will recognize the subsidy as revenue in the statements of activities. The retention period for the subsidy expires in approximately 2028.

NET ASSETS

The financial statements report amounts by class of net assets:

Net assets without donor restrictions are those which include all resources which are not subject to donor-imposed restrictions of a more specific nature than those which only obligate the organization to utilize funds in furtherance of its mission, designated by the board for specific use, and resources invested in land, buildings and equipment, less related depreciation.

Net assets with donor restrictions are those stipulated by donors for specific operating purposes, subject to a time restriction, or those not currently available for use until commitments regarding their use have been fulfilled.

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Notes to Financial Statements

September 30, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT, REVENUE, RECLASSIFICATIONS AND EXPENSES

Support is recognized when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to NYCRM. NYCRM reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. It is NYCRM's policy to report donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as reclassifications for satisfaction of restrictions. Investment income and changes in other assets or liabilities are recognized in the period earned or incurred and are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

NYCRM receives donations of food, clothing and supplies which it uses internally in the operation of its programs. Donated goods are recorded as support at their estimated fair value on the date of donation and are expensed for program services when utilized. Items that are not used internally are considered waste and are not recorded in the financial statements.

Gifts of land, buildings and equipment are reported as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of land, buildings and equipment with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire plant assets are reported as support with donor restrictions. Absent any donor stipulations, these restrictions expire when the asset is acquired or placed in service, and a reclassification is made from net assets with donor restrictions to net assets without donor restrictions at that time. Donated property and equipment are valued at the fair market value at date of receipt.

Directly identifiable expenses are charged to program services and supporting services which include management and general and fundraising. Expenses related to more than one function are charged to program services and supporting services on the basis of periodic time and expense studies. Supporting services' expenses include those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of NYCRM. The categories of expenses that are allocated include salaries and benefits, occupancy, professional fees, consulting and outside services, program and general supplies, printing and postage, insurance, telephone and communications, equipment and maintenance, staff training and development, other expenses and depreciation, which are allocated on the basis of estimates of time and effort. NYCRM incurred no joint costs for the years ended September 30, 2021 and 2020.

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Notes to Financial Statements

September 30, 2021 and 2020

3. LIQUIDITY AND FUNDS AVAILABLE:

The following table reflects NYCRM's financial assets, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or because the governing board has set aside the funds for specific purposes.

	September 30,	
	2021	2020
Financial assets:		
Cash and cash equivalents	\$ 335,588	\$ 722,000
Accounts receivable	4,528	15,974
Financial assets, at year end	<u>340,116</u>	<u>737,974</u>
Less those unavailable for general expenditure within one year	<u>-</u>	<u>-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 340,116</u>	<u>\$ 737,974</u>

NYCRM is substantially supported by contributions without and with donor restrictions. Those contributions with donor restrictions require resources to be used in a particular manner or in a future period. NYCRM must maintain sufficient resources to meet those responsibilities to its donors. Thus, at times financial assets may not be available for general expenditure within one year. NYCRM has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. NYCRM has the ability to borrow funds from CHA in the event of an unanticipated liquidity need.

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Notes to Financial Statements

September 30, 2021 and 2020

4. LAND, BUILDINGS AND EQUIPMENT-NET:

Land, buildings and equipment-net consists of the following:

	September 30,	
	2021	2020
Land	\$ 16,800,000	\$ 16,800,000
Buildings and improvements	11,360,021	11,201,642
Vehicles and equipment	729,787	729,787
	<u>28,889,808</u>	<u>28,731,429</u>
Less accumulated depreciation and amortization	(2,402,296)	(2,068,649)
	<u>26,487,512</u>	<u>26,662,780</u>
Construction in progress	113,830	51,403
	<u>\$ 26,601,342</u>	<u>\$ 26,714,183</u>

Construction in progress primarily includes various renovations and improvements underway at the NYCRM facility.

5. GIFTS-IN-KIND:

Gifts-in-kind consisted of the following:

	Year Ended September 30,	
	2021	2020
Food	\$ 929,644	\$ 751,769
Clothing	3,758	18,559
Supplies	3,302	8,907
	<u>\$ 936,704</u>	<u>\$ 779,235</u>

6. RETIREMENT PLANS:

NYCRM employees participate in a defined contribution pension plan, sponsored by CHA, under IRC Section 403(b) that covers substantially all of its full-time employees. Contributions are currently based on 4% of each covered employee's wages. Such amounts totaled approximately \$46,000 and \$42,000 for the years ending September 30, 2021 and 2020, respectively.

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Notes to Financial Statements

September 30, 2021 and 2020

7. DONOR CONCENTRATIONS:

During both years ended September 30, 2021 and 2020, NYCRM received approximately 31% of total revenue from one source, which was CHA (see Note 8).

8. RELATED PARTY TRANSACTIONS:

NYCRM shares program, management and general and fundraising costs in the form of allocated personnel and other costs with CHA and another related entity, Goodwill Rescue Mission, Inc. (GRM).

During the years ended September 30, 2021 and 2020, CHA provided program, management and general and fundraising services to NYCRM totaling approximately \$515,000 and \$427,000, respectively. During the years ended September 30, 2021 and 2020, NYCRM provided program and management and general services to CHA totaling approximately \$255,000 and \$398,000, respectively. CHA also incurred approximately \$77,000 and \$110,000 of other costs on behalf of NYCRM during the years ended September 30, 2021 and 2020, respectively. The net balance due from NYCRM to CHA as of September 30, 2021 and 2020, was \$1,723,315 and \$1,956,962, respectively, and is reported as a component of due to related organizations in the statements of financial position.

During the years ended September 30, 2021 and 2020, CHA made contributions to NYCRM totaling \$965,625 and \$1,566,874, respectively. In addition, CHA rents facility space from NYCRM on a month to month basis. Rent payments made by CHA to NYCRM amounted to \$389,298 and \$287,658 during the years ended September 30, 2021 and 2020, respectively, and is reported as a component of other income in the statements of activities.

During the years ended September 30, 2021 and 2020, NYCRM provided program and management and general services to GRM totaling approximately \$5,600 and \$22,000, respectively. The net balance due from NYCRM to GRM as of September 30, 2021 and 2020, was \$5,913 and \$21,374, respectively, and is reported as a component of due to related organizations in the statements of financial position.

9. RISKS AND UNCERTAINTIES:

In March of 2020, the World Health Organization declared the outbreak of COVID-19 as a pandemic which continues to spread throughout the United States. COVID-19 has caused a severe negative impact on the world economy and has contributed to significant declines and volatility in financial markets. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of NYCRM for future periods. Management is carefully monitoring the situation and evaluating its options as circumstances evolve.

NEW YORK CITY RESCUE MISSION, INC.

(A Subsidiary of Christian Herald Association, Inc.)

Notes to Financial Statements

September 30, 2021 and 2020

10. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through July 8, 2022, which is the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

Subsequent to year end in March 2022, the boards of directors of both NYCRM and CHA passed resolutions to approve closing down NYCRM as a separate legal entity, and to combine the assets, liabilities, net assets and activities of NYCRM with the CHA legal entity. This decision was made primarily for operational efficiency purposes. The activities of NYCRM would continue on as a program of CHA, with the NYCRM name continuing to be utilized as a "d/b/a". As of the date of these financial statements, NYCRM and CHA are in the process of submitting necessary paperwork to the State of New York for approval. The planned effective date will be the first October 1 following final approval from the State of New York.