



**ANIMAL CARE AND CONTROL
OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC
AND AFFILIATE
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2020 AND 2019**

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Animal Care and Control of New York City, Inc.
DBA Animal Care Centers of NYC and Affiliate
New York, New York

We have audited the accompanying consolidated financial statements of Animal Care and Control of New York City, Inc., DBA Animal Care Centers of NYC and Affiliate, (a nonprofit organization), which comprises the consolidated statements of financial position as of June 30, 2020, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Animal Care and Control of New York City, Inc., DBA Animal Care Centers of NYC and affiliate as of June 30, 2020, and the changes in its consolidated net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Animal Care and Control of New York City, Inc.'s, DBA Animal Care Centers of NYC and affiliate June 30, 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 24, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Rosenberg + Manente PLLC

Rosenberg and Manente, PLLC
Certified Public Accountants
New York, New York

June 9, 2021

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019**

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 953,627	\$ 891,380
Restricted - Cash and Cash Equivalents	50,593,401	56,976,209
Accounts Receivable - The City of New York	3,672,147	2,188,617
Unconditional Promises to Give	1,245	5,394
Grants Receivable	108,639	186,898
Prepaid Expenses	168,919	246,964
Other Accounts Receivable	32,652	2,697
TOTAL CURRENT ASSETS	55,530,630	60,498,159
FIXED ASSETS		
Property and Equipment, Net	13,596,402	13,763,930
TOTAL FIXED ASSETS	13,596,402	13,763,930
OTHER ASSETS		
Construction in Progress	11,565,673	3,140,641
Loan Acquisition Costs, Net	2,927,045	2,909,407
Deposits on Leased and Other Property	79,775	79,615
TOTAL OTHER ASSETS	14,572,493	6,129,663
TOTAL ASSETS	\$ 83,699,525	\$ 80,391,752
LIABILITIES, NET ASSETS AND MEMBER'S EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 164,203	\$ 425,166
Accrued Expenses	1,629,796	579,963
Accounts Payable - The City of New York	44,622	43,736
Salaries, Payroll Taxes and Benefits Payable	625,523	606,013
Vacation and Sick Time Accrual	206,331	252,486
Interest Payable	138,438	89,315
Deferred Rent Payable	56,301	58,536
Line of Credit	976,014	573,401
Customer Deposits Payable	43,174	7,274
Other Liabilities	245	2,525
TOTAL CURRENT LIABILITIES	3,884,647	2,638,415
LONG-TERM LIABILITIES		
Mortgage Payable	75,000,000	75,000,000
TOTAL LONG-TERM LIABILITIES	75,000,000	75,000,000
TOTAL LIABILITIES	78,884,647	77,638,415
NET ASSETS AND MEMBER'S EQUITY		
Without Donor Restrictions	3,094,268	1,766,507
With Donor Restrictions	1,720,610	986,830
TOTAL NET ASSETS AND MEMBER'S EQUITY	4,814,878	2,753,337
TOTAL LIABILITIES, NET ASSETS AND MEMBER'S EQUITY	\$ 83,699,525	\$ 80,391,752

See Accompanying Notes to Consolidated Financial Statements

ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)

	JUNE 30, 2020			JUNE 30, 2019
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	TOTAL
REVENUES, GAINS, AND OTHER SUPPORT				
Support from Operations:				
Revenue - The City of New York	\$ 18,221,116	\$ 179,837	\$ 18,400,953	\$ 17,767,129
Shelter Revenue	725,865	-	725,865	918,296
Contributions	932,404	2,167,045	3,099,449	2,003,556
In-Kind Contributions	115,341	-	115,341	403,725
Benefit Plan Contributions	1,316,080	-	1,316,080	1,046,732
Donated Use of Facilities	1,139,105	-	1,139,105	1,189,307
Interest Income	806,382	-	806,382	18,817
Benefits and Special Events	450,679	-	450,679	460,193
Other Miscellaneous Income	77,950	-	77,950	40,776
Total Revenues, Gains and Other Support Before the Release of Restricted Net Assets	23,784,922	2,346,882	26,131,804	23,848,531
Net Assets Released From Restrictions:				
Satisfaction of Time and Program Restrictions	1,613,102	(1,613,102)	-	-
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	25,398,024	733,780	26,131,804	23,848,531
EXPENSES				
Program Services:				
Health and Welfare of Animals	20,999,875	-	20,999,875	20,242,784
Total Program Service Expenses	20,999,875	-	20,999,875	20,242,784
Supporting Services:				
Management and General	2,540,377	-	2,540,377	2,358,154
Fundraising	530,011	-	530,011	489,501
Total Supporting Services	3,070,388	-	3,070,388	2,847,655
TOTAL EXPENSES	24,070,263	-	24,070,263	23,090,439
CHANGE IN NET ASSETS	1,327,761	733,780	2,061,541	758,092
NET ASSETS AND MEMBERS' EQUITY, BEGINNING OF YEAR	1,766,507	986,830	2,753,337	1,995,245
NET ASSETS AND MEMBER'S EQUITY, END OF YEAR	\$ 3,094,268	\$ 1,720,610	\$ 4,814,878	\$ 2,753,337

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020
(With Comparative Totals for the Year Ended June 30, 2019)**

	Health and Welfare of Animals	Management and General	Fundraising	Total	Total
Salaries	\$ 11,348,056	\$ 1,193,625	\$ 207,763	\$ 12,749,444	\$ 11,440,275
Payroll Taxes and Fringe Benefits	3,665,619	385,561	67,111	4,118,291	3,538,232
Total Personnel Service Expenses	15,013,675	1,579,186	274,874	16,867,735	14,978,507
Vehicle Expenses	294,609	4,374	328	299,311	434,604
Communications	2,479	47,125	108,899	158,503	122,986
Depreciation	149,114	15,684	2,730	167,528	129,245
Facility Expenses	282,472	29,711	5,172	317,355	428,762
Human Resource	48,116	5,061	881	54,058	123,504
Insurance	459,510	48,333	8,413	516,256	379,964
Interest and Bank Charges	-	94,599	-	94,599	58,130
Supplies and Services, Medical	1,725,969	-	-	1,725,969	2,077,007
Occupancy	1,677,254	92,446	3,061	1,772,761	1,773,576
Other Expenses	30,077	36,262	-	66,339	99,892
Professional Fees	22,324	489,212	3,184	514,720	670,569
Special Events	-	-	115,129	115,129	190,720
Supplies and Services, Operations	584,633	51,961	-	636,594	764,745
Telecommunications	145,326	10,796	1,661	157,783	139,096
Technology and Equipment	310,210	32,629	5,679	348,518	396,309
First Alert Stipends	184,838	-	-	184,838	219,425
Discount and Subsidized	69,269	-	-	69,269	103,398
Bad Debt	-	2,998	-	2,998	-
Total Expenses	\$ 20,999,875	\$ 2,540,377	\$ 530,011	\$ 24,070,263	\$ 23,090,439

See Accompanying Notes to Consolidated Financial Statements

ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Net Assets	\$ 2,061,541	\$ 758,092
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by / (Used in) Operating Activities		
Depreciation and Amortization	167,528	129,245
Decrease (Increase) in:		
Accounts Receivable - The City of New York	(1,483,530)	(1,944,364)
Unconditional Promises to Give	4,149	590
Grant Receivables	78,259	186,000
Prepaid Expenses	78,045	26,325
Other Accounts Receivables	(29,955)	4,053
Deposits on Leased and Other Property	(160)	-
Increase (Decrease) in:		
Accounts Payable	(260,963)	276,873
Accrued Expenses	1,049,833	422,958
Accounts Payable - The City of New York	886	(178,708)
Salaries, Payroll Taxes and Benefits Payable	19,510	4,036
Vacation and Sick Time Accrual	(46,155)	25,345
Interest Payable	49,123	89,315
Deferred Rent Payable	(2,235)	5,261
Customer Deposits Payable	35,900	5,606
Other Liabilities	(2,280)	(1,754)
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES	1,719,496	(191,127)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(12,377,555)
Construction in Progress	(8,425,032)	(3,140,641)
Loan Acquisition Costs, Net	(17,638)	(2,909,407)
NET CASH USED IN INVESTING ACTIVITIES	(8,442,670)	(18,427,603)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments made on Note Payable	-	(627,278)
Advances from Line of Credit	402,613	101,067
Proceeds from Mortgage Payable	-	75,000,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	402,613	74,473,789
NET (DECREASE) / INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(6,320,561)	55,855,059
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR	57,867,589	2,012,530
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF YEAR	\$ 51,547,028	\$ 57,867,589
SUPPLEMENTAL DISCLOSURE:		
Interest Paid	\$ 3,267,125	\$ 111,548
Taxes Paid	\$ -	\$ -

See Accompanying Notes to Consolidated Financial Statements

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 1 - NATURE AND PURPOSE OF ORGANIZATION

Animal Care and Control of New York City, Inc., DBA Animal Care Centers of NYC (“ACC”), is a not-for-profit entity with the sole contract with the City of New York to provide animal care and control services throughout all five boroughs. Individuals from all over New York City come to ACC every day of the week for reasons as diverse as reclaiming lost pets, adopting and getting resources to help them keep their pets in a home. Each year ACC takes in nearly 24,000 animals. The mission of the Organization is to end animal homelessness in New York City. The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Through its contract for services with the NYC Department of Health and Mental Hygiene, ACC does not rely on donor contributions as a primary source for staff salaries or other administrative expenses associated with contract services. Under this public/private funding approach, ACC uses funding from its donors primarily for programs and services that are not funded by the contract with the City to enhance animal care and other services that ACC provides throughout the five boroughs of New York City.

1906 Flushing LLC (“1906 Flushing”) is a limited liability company that owns property in Queens, New York. In 2019, property development for the new Queens Full Service Shelter began at the Queens site and is expected to be completed in 2022. Upon completion and appropriate approvals of the building, ACC will rent the full facility as outlined in the terms of the lease agreement between 1906 Flushing and ACC dated June 21, 2019.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation and Basis of Accounting

The Organization’s policy is to prepare its consolidated financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this method, revenues are recognized in the period in which they are earned. Expenses are recognized in the period in which the related liability is incurred. The statements of financial position and of activities focus on the Organization as a whole and report total assets, liabilities, net assets and changes in net assets in accordance with the FASB ASC 958-205, *Financial Statements of Not-for-Profit Organizations*.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of ACC, and its wholly owned subsidiary, 1906 Flushing. Collectively, the aforementioned are referred to as the “Organization” hereafter. All significant intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the consolidated financial statements and revenues and expenses recognized during the reporting period. Significant estimates made in the preparation of the consolidated financial statements include the net realizable value of the contributions and grants receivable, donated use of facilities, accrued expenses, prepaid expenses and functional expense allocations. Actual results could differ from those estimates.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

The Organization's financial instruments are cash and cash equivalents and contributions receivable. The recorded values of cash and cash equivalents and contributions receivable approximate fair values based on their short-term nature.

Reclassifications

It is the Organization's policy to reclassify, where appropriate, prior year financial statements to conform to the current year presentation.

Measure of Operations

The consolidated statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing program services. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature. As of June 30, 2020 and 2019, the Organization did not have nonoperating activities.

Comparative Information

The consolidated financial statements include certain 2019 comparative information. With respect to the consolidated statement of activities, such prior year information is not presented by net asset class and, in the consolidated statement of functional expenses, 2019 expenses by natural classification are presented in total rather than by functional category. Accordingly, such information should be read in conjunction with the Organization's 2019 financial statements from which the summarized information was derived.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less and time deposit accounts with no withdrawal restrictions other than loss of end of term interest to be cash equivalents. At June 30, 2020 and 2019, there was \$50,593,401 and \$56,976,209, respectively, in restricted cash for the property development of the new Queens Full Service Shelter.

Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until conditions are substantially met.

Allowance for Doubtful Accounts

Management determines whether an allowance for doubtful accounts should be provided for accounts receivable. Such estimates are based on management's assessment of the aged basis of its sources, current economic conditions, subsequent receipts and historical information. Accounts receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. At June 30, 2020 and 2019, management has determined the allowance for doubtful accounts to be \$0 for both years.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Medical Supplies, Medications and Products

Medical supplies, medications and products are purchased on an as needed basis and are expensed upon purchase. The dollar value of the supplies on hand at any given time is not material. It is the Organization's decision not to maintain inventory on its Consolidated Statements of Financial Position.

Property and Equipment

It is the Organization's policy to capitalize property and equipment over \$1,000; lesser amounts are expensed. Fixed assets are recorded at cost. Maintenance and repairs are charged to expenses as incurred; major betterments are capitalized. When items or property and equipment are sold or retired, the related cost and accumulated depreciation is removed from the accounts and any gain or loss is included in the results of operations. Management reviews property and equipment for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Property and equipment are written off to operations when considered impaired.

Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is provided on the straight-line method over the remaining term of the lease or the useful life of the improvements, whichever is shorter.

Leasehold Improvements	39 years
Furniture and Fixtures	7 years
Machinery and Equipment	3 to 7 years
Vehicles	7 years
Software	3 to 5 years

Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as without donor restriction contributions unless the donor has restricted the donated asset 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 contributions. Absent of 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 reclasses with donor restricted net assets to without donor restricted net assets at that time.

Certain property and equipment used by the Organization is owned by New York City under a funding agreement. The Organization is responsible for acquiring items needed in order to run the facility; however, title will not pass to the Organization upon termination of the funding agreement. Therefore, most capital items are expensed within the year that the City funds the purchase.

Advertising Costs

Advertising costs, including donated advertising, are generally charged to operations in the year incurred. For the years ended June 30, 2020 and 2019, total advertising costs were \$52,046 and \$42,562, respectively. For the years ended June 30, 2020 and 2019, donated advertising was valued at \$5,378 and \$6,577, respectively. Advertising costs are reflected in communications on the Consolidated Statement of Functional Expenses.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

Net Assets of the Organization, and changes therein, are classified and reported as follows:

(1) Net Assets Without Donor Restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets are available for use at the discretion of the Board of Directors and management. The Board can designate a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion.

(2) Net Assets With Donor Restrictions:

Net assets subject to stipulations imposed by donors, and grantors. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. As of June 30, 2020 and 2019, the Organization did not have any donor-restricted contributions that were perpetual in nature.

Revenue Recognition

The Organization recognizes contributions received and made, including unconditional promises to give, as revenue in the period received or made. Contributions received are reported as either revenues without donor restrictions or revenues with donor restrictions. Contributions with donor restrictions that are used for the purpose specified by the donor in the same year as the contribution is received are recognized as revenues with donor restrictions and are reclassified as net assets released from restrictions in the same year. Promises to give that stipulate conditions to be met before the contributions is made are not recorded until the conditions are met. For the years ended June 30, 2020 and 2019, there were no conditional promises to give.

The Organization has adopted Accounting Standards Update (ASU) No. 2014-09 – *Revenue from Contracts with Customers (Topic 606)*, as amended, as management believes the standard improves the usefulness and understandability of the Organization's financial reporting. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require special skills, and are performed by people with those skills and would otherwise be purchased by the Organization.

A number of volunteers have made a contribution of their time to the Organization to perform a variety of tasks that assist the Organization at the shelter facilities and at fundraising events. The value of this contributed time is not reflected in these consolidated financial statements since it does not meet the criteria for recognition under Financial Accounting Standards Board (FASB) ASC 958. The Organization received approximately 29,000 volunteer hours for the fiscal year ending June 30, 2020.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Rent Expense

The Organization records rent expense associated with its office lease on a straight-line basis over the life of the lease. The difference between the straight-line amount and the amount actually paid during the year is recorded as a liability and an expense in the accompanying consolidated financial statements.

Functional Allocation of Expenses

Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting services classifications based upon benefits received.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries, Payroll Taxes and Benefits	Time and Effort
Vehicle Expenses	Direct
Communications	Direct and Head Count
Depreciation and Amortization	Direct
Facility Expenses	Direct and Head Count
Human Resources	Direct and Head Count
Insurance	Direct and Head Count
Interest and Bank Charges	Direct and Head Count
Supplies and Services, Medical	Direct
Occupancy	Direct and Head Count
Professional Services	Direct
Supplies and Services, Operations	Direct
Telecommunications	Direct and Head Count
Technology and Equipment	Direct and Head Count

Loan Acquisition Costs

Loan acquisition costs are amortized on a straight-line method over the life of the underlying debt, which will begin when the asset is put in service.

Income Taxes

ACC is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. 1906 Flushing is a single member limited liability company that has elected to be treated as a disregarded entity. As such, 1906 Flushing is not subject to Federal and State income tax, but rather, its income or loss inures to ACC.

The Organization is subject to routine audits by various federal, state and local taxing authorities; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2017.

The consolidated financial statements effect of a tax position taken or expected to be taken are recognized in the consolidated financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the Statement of Activities. Management does not believe its consolidated financial statements include any uncertain tax positions.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions and Benefits

The Organization provides a range of benefits to eligible employees, including pensions, 401(k) Savings, and Group Life and Welfare Benefits. The Organization records annual amounts relating to these plans based on calculations, which include various actuarial assumptions such as discount rates, expected rates of return on plan assets, compensation increases, and turnover rates.

NOTE 3 - DONATIONS IN-KIND

The Organization receives donations in-kind from various individuals and organizations. These donations are comprised predominantly of services and supplies, such as food, blankets, leashes, and toys, used in shelter operations, legal and media. For the years ended June 30, 2020 and 2019, management estimated the value of these items received to be approximately \$115,000 and \$404,000, respectively.

NOTE 4 - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents in financial institutions, which from time to time may exceed the Federal Depository Insurance Coverage limit. In assessing their risk, the Organization's policy is to maintain funds only with reputable financial institutions and management believes the risk of loss is minimal. At June 30, 2020 and 2019, cash and cash equivalents exceeding federally insured limits totaled approximately \$50,343,000 and \$57,111,000, respectively.

For the years ended June 30, 2020 and 2019, the contract with the City of New York accounted for more than 80% of the Organization revenues.

NOTE 5 - RELATED PARTY

During the years ended June 30, 2020 and 2019, various members of the board of directors pledged donations totaling approximately \$79,000 and \$81,000, respectively.

On July 21, 2019, a lease agreement between ACC and 1906 Flushing was executed for what will be the new Queens Full Service Shelter. The commencement date is anticipated to be July 15, 2022, which is the projected project completion date. The lease is due to expire no earlier than July 1, 2052. Under the lease agreement, the lease payments are tied directly to the monthly loan amortization payments of \$376,901 a month (See Note 12 – Property Loans). Any differences from the lease agreement payments and the lease's fair market value will be adjusted accordingly. Lease payments will be paid directly by the City, in accordance with their agreement with ACC (See Note 10 – New York City Funding). In addition, for years ended June 30, 2020 and 2019, ACC made investments of approximately \$805,000 in 1906 Flushing. The balance was eliminated during consolidation.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 6 - COMMITMENTS AND CONTINGENCIES

The contract with the City of New York is subject to audit by the City (See Note 10).

Certain grants and contracts may be subject to audit by funding sources. Such audits may result in disallowance of costs submitted for reimbursement. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying consolidated financial statements. Accordingly, no amounts have been provided in the accompanying consolidated financial statements for such potential claims.

The impacts of the global emergence of Coronavirus disease (COVID-19) on the Organization are currently unknown. The Organization is conducting business as usual with some modifications to employee travel, employee work locations, and cancellation of certain events, among other modifications. The Organization will continue to actively monitor the situation and may take further actions that alter business operations as may be required by federal, state or local authorities or that are determined to be in the best interest of the Organization's employees, donors, partners and suppliers. It is not clear what the potential effects any such alterations or modifications may have on the Organization, including the effects on donors and prospects, funding from the City of New York or on the Organization's financial results for fiscal year end 2021.

The Organization may be involved in legal actions arising in the ordinary course of its business. It is the opinion of management that such actions will be resolved without material effect on the Organization's financial position.

NOTE 7 - PROPERTY AND EQUIPMENT, NET

Property and equipment at June 30th by major classification is summarized as follows:

	<u>2020</u>	<u>2019</u>
Land	\$ 13,026,750	\$ 13,026,750
Leasehold Improvements	382,554	382,554
Furniture and Fixtures	112,034	112,034
Machinery and Equipment	735,292	735,292
Vehicles	340,577	340,577
Software	<u>78,327</u>	<u>78,327</u>
	14,675,534	14,675,534
Accumulated Depreciation and Amortization	<u>1,079,132</u>	<u>911,604</u>
Property and Equipment, Net	<u>\$ 13,596,402</u>	<u>\$ 13,763,930</u>

Depreciation and amortization expense for the years ended June 30, 2020 and 2019 was \$167,528 and \$129,245, respectively.

The cost of certain equipment and facilities, which are used by the Organization in connection with its Shelter Operations, are not reflected in the consolidated statements of financial position because the assets' titles remain with the City of New York.

Land, included in the above schedule, is the site for the new Queens Full Service Shelter. The costs incurred in association with constructing the new Queens Full Service Shelter are included in the consolidated statements of financial position as a non-current asset, Construction in Progress. Upon completion of the facility, and when the facility is operational and in service, these costs will be reclassified to the appropriate asset class. As of June 30, 2020 and 2019, construction in progress totaled approximately \$11,566,000 and \$3,141,000, respectively.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 8 - BAD DEBT

At June 30, 2020 and 2019, there was \$2,998 and \$0 bad debt expense, respectively.

NOTE 9 - LINE OF CREDIT

Pursuant to an agreement with their Financial Institution, the Organization may borrow up to \$1,000,000 under a renewable line of credit. The interest on such borrowings is payable monthly at an annual rate equal to the LIBOR rate plus 3.00%. The line is secured by substantially all of the Organization's assets. As of June 30, 2020 and 2019, the Organization had drawn down on its available line of credit approximately \$976,000 and \$573,000, respectively. This credit facility is due to mature in March 2021.

NOTE 10 - NEW YORK CITY FUNDING

The Organization has a cost reimbursement contract with the City of New York (the "City"), which runs through June 30, 2052, which engages the Organization to assist the City in carrying out its animal and care control responsibilities. The total maximum amount for all payments shall not exceed \$1,487,966,471 for the entire term of the agreement. Under the agreement, the Organization has a license to use and occupy three City owned buildings as animal care facilities: Manhattan Animal Care Facility, Brooklyn Animal Care Facility and Staten Island Animal Care Facility and two receiving centers: Queens Animal Receiving Facility and the Bronx Animal Receiving Center.

In addition, the City provided funds to allow the Organization to acquire land, build, develop and operate a new full service Queens Animal Care Center, financed and equipped as provided for under the agreement (See Note 12 - Property Loans). The City can terminate the contract with or without cause with no less than ten days from the date of notice personally delivered or fifteen days from the date of the notice via mail. Upon the opening of the new Queens Animal Care Center, the Organization will cease to utilize the Queens Animal Resource Center that is currently provided by the City of New York.

For the years ended June 30, 2020 and 2019, the value of the donated use of facilities by the City on behalf of the Organization has been included in the Consolidated Statement of Activities in Donated Use of Facilities in the amounts of approximately \$1,139,000 and \$1,189,000, respectively. To the extent funding is provided for in the agreement, the Organization is responsible for general repairs, insurance and maintenance of the premises.

Effective July 1, 2006, the City assumed responsibility for the payment of the Organization's utilities, for locations owned or leased by the City. Accordingly, for the years ended June 30, 2020 and 2019 the value of the utilities paid by the City on behalf of the Organization has been included in the accompanying consolidated financial statements in both Revenue from the City of New York and Occupancy Expense in the amounts of approximately \$270,000 and \$291,000, respectively.

At June 30, 2020 and 2019, the Organization was due from the City approximately \$3,672,000 and \$2,188,000, respectively. For the years ended June 30, 2020 and 2019, benefit plan contributions and expenses made on behalf of the Organization totaled approximately \$1,316,000 and \$1,047,000, respectively. In addition to the above, for the years ended June 30, 2020 and 2019, revenue recognized under the City contract was approximately \$18,401,000 and \$17,767,000, respectively. At June 30, 2020 and 2019, the Organization owes the City under the current contract approximately \$45,000 and \$44,000 in interest, respectively.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 11 - LEASE COMMITMENTS AND RENTAL EXPENSE

On September 1, 2015, the Organization re-negotiated their office space lease in Manhattan. The term of the lease is for seven years through August 31, 2022.

Minimum future rental payments under this lease are as follows:

Year ending June 30,	
2021	\$ 295,701
2022	306,037
2023	<u>51,239</u>
	<u>\$ 652,977</u>

Rent included in occupancy expense for years ended June 30, 2020 and 2019 was \$275,389 for both years.

NOTE 12 - PROPERTY LOANS

On June 21, 2019, 1906 Flushing acquired property located in Queens, New York, which is being developed for the new Queens Full Service Shelter (the "Project"). On that same date, the following notes were executed:

Lender	Loan Amount	Interest Payments	Interest Rate
Acquisition Loan	\$ 12,233,503	\$ 45,162	4.43%
Building Loan	33,882,687	125,084	4.43%
Project Loan	<u>28,883,810</u>	<u>106,629</u>	4.43%
Total Property Loans	<u>\$ 75,000,000</u>	<u>\$ 276,875</u>	

Interest on all three loans are due monthly at a rate 4.43% until the completion of the project, which is anticipated to be July 15, 2022. At such time, the amortization start date, principal and interest of \$376,901 will be payable monthly. The interest rate of 4.43% is in effect throughout the life of the loan, and all three property loans mature July 15, 2052. The loans are secured by, among other things, (i) a Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Company for the benefit of Purchaser, creating a valid and perfected first mortgage lien on the Mortgaged Property, including, without limitation, the buildings, structures and improvements now or hereafter located thereon, and assigning Company's right, title and interest in and to the Lease therein described, (ii) an Assignment of Leases and Rents dated as of the date hereof from Company to Purchaser assigning Company's right, title and interest in and to the Lease and any other leases and rents, (iii) a lien on all funds held pursuant to the Cash Management Agreement and the Construction Escrow Agreement, (iv) the Collateral Assignment of Contracts, and (v) the Surety Bond.

Aggregate maturities of long-term debt are summarized as follows:

June 30, 2023	\$ 1,224,985
June 30, 2024	1,280,367
June 30, 2025	1,338,253
June 30, 2026	1,398,757
June 30, 2027	1,461,995
June 30, 2028 and Thereafter	<u>68,295,643</u>
Total Long-Term Debt	<u>\$ 75,000,000</u>

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 12 - PROPERTY LOANS (CONTINUED)

As of June 30, 2020 and 2019, accrued interest of \$3,405,563 and \$89,315 was capitalized to construction in progress.

NOTE 13 - EMPLOYEE BENEFIT PLANS

All eligible employees of the Organization are members of the Cultural Institutions Retirement System's (CIRS) Pension, Savings Plan and Group Life and Welfare Benefits plans. The CIRS Pension Plan is a multiemployer defined benefit plan. Pension and Group Life and Welfare Benefit contributions are funded by the City of New York in accordance with their contract with the Organization. The employer match to the Savings Plan, in accordance with the Collective Bargaining Agreement, remains suspended.

The risk of participating in these multiemployer plans is different from single-employer plans in the following aspects:

- a) Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- b) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- c) If the Organization chooses to stop participating in some of its multiemployer plans, the Organization may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Organization's participation in this plan for the fiscal year ended June 30, 2020 and 2019 is outlined in the table below. The "EIN/Pension Plan number" column provides the Employer Identification Number (EIN) and the three-digit plan number, if applicable. The zone status is based on information that the Company received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are less than 80 percent funded. A plan is in the green zone if it has a current funded percentage greater than 80 percent. Unless otherwise noted, the most recent PPA zone status available in 2020 and 2019 is for the plan's year-end at June 30, 2019 and 2018, respectively. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. The last column lists the expiration dates(s) of the collective bargaining agreements(s) to which the plans are subject. The period-to-period comparability fluctuates based upon the Organization's growth. The Company was not identified in its plan's 2019 Forms 5500 as providing more than 5% of total plan contributions.

The Organization currently has no intention of withdrawing from the multiemployer pension plan in which it participates.

Pension Fund	EIN/Pension Plan Number	Pension Protection Act Zone Status		FIP/RP Status	Contributions of Company			Surcharge Imposed	Expiration Date of Collective-Bargaining Agreement
		2019	2018		2020	2019	2018		
(1) CIRS	11-2001170	Green	Green	NA	\$1.137m	\$904k	\$904k	No	NA*

(1) Cultural Institutions Retirement System

* The Collective Bargaining Agreement is currently on extension.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 13 - EMPLOYEE BENEFIT PLANS (CONTINUED)

Group Life and Welfare Benefits plans and administrative fees for the years ended June 30, 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Group Life and Welfare Benefits	\$ 25,625	\$ 21,179
Administration Fees	<u>152,723</u>	<u>121,371</u>
	<u>\$ 178,348</u>	<u>\$ 142,550</u>

For the years ending June 30, 2020 and 2019, the Organization made no contributions to the 401(k) Savings Plan.

NOTE 14 - NET ASSETS WITHOUT DONOR RESTRICTIONS

The Organization's net assets without donor restrictions is comprised of undesignated and board designated amounts for the following purposes for the year ending June 30, 2020 and 2019.

	<u>2020</u>	<u>2019</u>
Undesignated	<u>\$ 3,094,268</u>	<u>\$ 1,766,507</u>

For year ending June 30, 2020 and 2019, the undesignated amounts above include \$717,996 and \$8,027 in member equity from 1906 Flushing Avenue LLC, respectively.

NOTE 15 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following as of June 30, 2020 as follows:

<u>Restriction Type</u>	<u>Beginning of Fiscal Year</u>	<u>Contributions</u>	<u>Released</u>	<u>End of Fiscal Year</u>
Time Restricted:				
Within a One Year Time Period	\$ --	\$ --	(\$ --)	\$ --
Purpose Restricted:				
Program Services	<u>986,830</u>	<u>2,346,882</u>	<u>(1,613,102)</u>	<u>1,720,610</u>
Total	<u>\$ 986,830</u>	<u>\$ 2,346,882</u>	<u>(\$ 1,613,102)</u>	<u>\$ 1,720,610</u>

Net assets with donor restrictions are restricted for the following as of June 30, 2019 as follows:

<u>Restriction Type</u>	<u>Beginning of Fiscal Year</u>	<u>Contributions</u>	<u>Released</u>	<u>End of Fiscal Year</u>
Time Restricted:				
Within a One Year Time Period	\$ --	\$ --	(\$ --)	\$ --
Purpose Restricted:				
Program Services	<u>1,050,827</u>	<u>1,322,104</u>	<u>(1,386,101)</u>	<u>986,830</u>
Total	<u>\$ 1,050,827</u>	<u>\$ 1,322,104</u>	<u>(\$ 1,386,101)</u>	<u>\$ 986,830</u>

Purpose restrictions are expected to be released from restrictions within one year.

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC AND AFFILIATE**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 16 - RECEIVABLES

Receivables consist of grants and contributions from the government, foundations, institutions, corporations and individuals. For the years ended June 30, 2020 and 2019, receivables consisted of the following:

	2020	2019
Amount Due In:		
Less Than One Year	\$ 3,814,683	\$ 2,383,606

NOTE 17 - CREDIT ACCOUNTS

As of June 30, 2020 and 2019, the Organization had drawn down \$55,038 and \$70,769 on various open unsecured credit accounts. These amounts are included in accrued expenses on the Consolidated Statement of Financial Position.

NOTE 18 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the consolidated statements of financial position date for general expenditure for the years ending June 30, 2020 and 2019 are as follows:

	2020	2019
Cash and Cash Equivalents	\$ 953,627	\$ 891,380
Receivables	3,814,683	2,383,606
Total Financial Assets Available	4,768,310	3,274,986
Less:		
Amounts Unavailable for General Expenditures Within One Year, at Net Present Value, Due To:		
Restricted by Donors with Purpose Restrictions	--	--
Restricted by Donors with Timing Restrictions	--	--
Total Amounts Unavailable for General Expenditures Within One Year	--	--
Total Financial Assets Available to Management for General Expenditure Within One Year	\$ 4,768,310	\$ 3,274,986

The Organization's goal is generally to maintain financial assets to meet four to six months of supporting service expenses (approximately \$1.5 million) and one to two months of total expenses (approximately \$4 million). As part of its liquidity plan, the Organization has a line of credit for \$1,000,000 and has the ability to scale-back and reduce non-essential support services.

NOTE 19 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 9, 2021, which is the date the consolidated financial statements were available to be issued and determined no adjustments to the financial statements or additional disclosures are necessary.

**ANIMAL CARE AND CONTROL
OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC
AND AFFILIATE
SUPPLEMENTARY SCHEDULES
YEARS ENDED JUNE 30, 2020**

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Animal Care and Control of New York City, Inc.
DBA Animal Care Centers of NYC
New York, New York

We have audited the consolidated financial statements of Animal Care and Control of New York City, Inc., DBA Animal Care Centers of NYC and Affiliate, (the "Organization") as of and for the year ended June 30, 2020, and have issued our report thereon dated June 9, 2021, which expressed an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities are presented for the purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Rosenberg + Manente PLLC

Rosenberg and Manente, PLLC
Certified Public Accountants
New York, NY

June 9, 2021

ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC
SCHEDULE I: CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2020

	ANIMAL CARE & CONTROL OF NEW YORK CITY, INC.	1906 FLUSHING AVE LLC	ELIMINATIONS	TOTAL
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 953,382	\$ 245	\$ -	\$ 953,627
Restricted - Cash and Cash Equivalents	-	50,593,401	-	50,593,401
Accounts Receivable - The City of New York	3,672,147	-	-	3,672,147
Unconditional Promises to Give	1,245	-	-	1,245
Grants Receivable	108,639	-	-	108,639
Prepaid Expenses	168,919	-	-	168,919
Other Accounts Receivable	32,652	-	-	32,652
TOTAL CURRENT ASSETS	4,936,984	50,593,646	-	55,530,630
FIXED ASSETS				
Property and Equipment, Net	569,652	13,026,750	-	13,596,402
TOTAL FIXED ASSETS	569,652	13,026,750	-	13,596,402
OTHER ASSETS				
Construction in Progress	-	11,565,673	-	11,565,673
Loan Acquisition Costs, Net	-	2,927,045	-	2,927,045
Investment in Subsidiary	805,251	-	(805,251)	-
Deposits on Leased and Other Property	79,775	-	-	79,775
TOTAL OTHER ASSETS	885,026	14,492,718	(805,251)	14,572,493
TOTAL ASSETS	\$ 6,391,662	\$ 78,113,114	\$ (805,251)	\$ 83,699,525
LIABILITIES, NET ASSETS AND MEMBER'S EQUITY				
CURRENT LIABILITIES				
Accounts Payable	\$ 164,203	\$ -	\$ -	\$ 164,203
Accrued Expenses	178,367	1,451,429	-	1,629,796
Accounts Payable - The City of New York	44,622	-	-	44,622
Salaries, Payroll Taxes and Benefits Payable	625,523	-	-	625,523
Vacation and Sick Time Accrual	206,331	-	-	206,331
Interest Payable	-	138,438	-	138,438
Deferred Rent Payable	56,301	-	-	56,301
Line of Credit	976,014	-	-	976,014
DOH Advance	-	-	-	-
Customer Deposits Payable	43,174	-	-	43,174
Other Liabilities	245	-	-	245
TOTAL CURRENT LIABILITIES	2,294,780	1,589,867	-	3,884,647
LONG-TERM LIABILITIES				
Mortgage Payable	-	75,000,000	-	75,000,000
TOTAL LONG-TERM LIABILITIES	-	75,000,000	-	75,000,000
TOTAL LIABILITIES	2,294,780	76,589,867	-	78,884,647
NET ASSETS AND MEMBER'S EQUITY				
Without Donor Restrictions	2,376,272	-	-	2,376,272
With Donor Restrictions	1,720,610	-	-	1,720,610
Member's Equity	-	1,523,247	(805,251)	717,996
TOTAL NET ASSETS AND MEMBER'S EQUITY	4,096,882	1,523,247	(805,251)	4,814,878
TOTAL LIABILITIES, NET ASSETS AND MEMBER'S EQUITY	\$ 6,391,662	\$ 78,113,114	(805,251)	\$ 83,699,525

See Accompanying Notes to Consolidated Financial Statements

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC
SCHEDULE II: CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.	1906 FLUSHING AVE LLC	ELIMINATIONS	TOTAL
REVENUES, GAINS, AND OTHER SUPPORT				
Support from Operations:				
Revenue - The City of New York	\$ 18,400,953	\$ -	\$ -	\$ 18,400,953
Shelter Revenue	725,865	-	-	725,865
Contributions	3,099,449	-	-	3,099,449
In-Kind Contributions	115,341	-	-	115,341
Benefit Plan Contributions	1,316,080	-	-	1,316,080
Donated Use of Facilities	1,139,105	-	-	1,139,105
Investment Income	259	806,123	-	806,382
Benefits and Special Events	450,679	-	-	450,679
Other Miscellaneous Income	77,950	-	-	77,950
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	25,325,681	806,123	-	26,131,804
EXPENSES				
Salaries	12,749,444	-	-	12,749,444
Payroll Taxes and Fringe Benefits	4,118,291	-	-	4,118,291
Vehicle Expenses	299,311	-	-	299,311
Communications	158,503	-	-	158,503
Depreciation	167,528	-	-	167,528
Facility Expenses	317,355	-	-	317,355
Human Resource	54,058	-	-	54,058
Insurance	516,256	-	-	516,256
Interest and Bank Charges	70,994	23,605	-	94,599
Supplies and Services, Medical	1,725,969	-	-	1,725,969
Occupancy	1,700,212	72,549	-	1,772,761
Other Expenses	66,339	-	-	66,339
Professional Fees	514,720	-	-	514,720
Special Events	115,129	-	-	115,129
Supplies and Services, Operations	636,594	-	-	636,594
Telecommunications	157,783	-	-	157,783
Technology and Equipment	348,518	-	-	348,518
First Alert Stipends	184,838	-	-	184,838
Discount and Subsidized	69,269	-	-	69,269
Bad Debt	2,998	-	-	2,998
TOTAL EXPENSES	23,974,109	96,154	-	24,070,263
CHANGE IN NET ASSETS	1,351,572	709,969	-	2,061,541
NET ASSETS AND MEMBER'S EQUITY, BEGINNING OF YEAR	2,745,310	813,278	(805,251)	2,753,337
NET ASSETS AND MEMBER'S EQUITY, END OF YEAR	\$ 4,096,882	\$ 1,523,247	\$ (805,251)	\$ 4,814,878

See Accompanying Notes to Consolidated Financial Statements

ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC
SCHEDULE III: CONSOLIDATING STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2019

	ANIMAL CARE & CONTROL OF NEW YORK CITY, INC.	1906 FLUSHING AVE LLC	ELIMINATIONS	TOTAL
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 891,380	\$ -	\$ -	\$ 891,380
Restricted - Cash and Cash Equivalents	-	56,976,209	-	56,976,209
Accounts Receivable - The City of New York	2,188,617	-	-	2,188,617
Unconditional Promises to Give	5,394	-	-	5,394
Grants Receivable	186,898	-	-	186,898
Prepaid Expenses	246,964	-	-	246,964
Other Accounts Receivable	2,697	-	-	2,697
TOTAL CURRENT ASSETS	3,521,950	56,976,209	-	60,498,159
FIXED ASSETS				
Property and Equipment, Net	737,180	13,026,750	-	13,763,930
TOTAL FIXED ASSETS	737,180	13,026,750	-	13,763,930
OTHER ASSETS				
Construction in Progress	-	3,140,641	-	3,140,641
Loan Acquisition Costs, Net	-	2,909,407	-	2,909,407
Investment in Subsidiary	805,251	-	(805,251)	-
Deposits on Leased and Other Property	79,615	-	-	79,615
TOTAL OTHER ASSETS	884,866	6,050,048	(805,251)	6,129,663
TOTAL ASSETS	\$ 5,143,996	\$ 76,053,007	\$ (805,251)	\$ 80,391,752
LIABILITIES, NET ASSETS AND MEMBER'S EQUITY				
CURRENT LIABILITIES				
Accounts Payable	\$ 425,166	\$ -	\$ -	\$ 425,166
Accrued Expenses	429,549	150,414	-	579,963
Accounts Payable - The City of New York	43,736	-	-	43,736
Salaries, Payroll Taxes and Benefits Payable	606,501	-	(488)	606,013
Vacation and Sick Time Accrual	252,486	-	-	252,486
Interest Payable	-	89,315	-	89,315
Deferred Rent Payable	58,536	-	-	58,536
Line of Credit	573,401	-	-	573,401
Customer Deposits Payable	7,274	-	-	7,274
Other Liabilities	2,037	-	488	2,525
TOTAL CURRENT LIABILITIES	2,398,686	239,729	-	2,638,415
LONG-TERM LIABILITIES				
Mortgage Payable	-	75,000,000	-	75,000,000
TOTAL LONG-TERM LIABILITIES	-	75,000,000	-	75,000,000
TOTAL LIABILITIES	2,398,686	75,239,729	-	77,638,415
NET ASSETS AND MEMBER'S EQUITY				
Without Donor Restrictions	1,758,480	-	-	1,758,480
With Donor Restrictions	986,830	-	-	986,830
Member's Equity	-	813,278	(805,251)	8,027
TOTAL NET ASSETS AND MEMBER'S EQUITY	2,745,310	813,278	(805,251)	2,753,337
TOTAL LIABILITIES, NET ASSETS AND MEMBER'S EQUITY	\$ 5,143,996	\$ 76,053,007	(805,251)	\$ 80,391,752

See Accompanying Notes to Consolidated Financial Statements

**ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.
DBA ANIMAL CARE CENTERS OF NYC
SCHEDULE IV: CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019**

	ANIMAL CARE AND CONTROL OF NEW YORK CITY, INC.	1906 FLUSHING AVE LLC	ELIMINATIONS	TOTAL
REVENUES, GAINS, AND OTHER SUPPORT				
Support from Operations:				
Revenue - The City of New York	\$ 17,767,129	\$ -	\$ -	\$ 17,767,129
Shelter Revenue	918,296	-	-	918,296
Contributions	2,003,556	-	-	2,003,556
In-Kind Contributions	403,725	-	-	403,725
Benefit Plan Contributions	1,046,732	-	-	1,046,732
Donated Use of Facilities	1,189,307	-	-	1,189,307
Investment Income	385	18,432	-	18,817
Benefits and Special Events	460,193	-	-	460,193
Other Miscellaneous Income	40,776	-	-	40,776
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	23,830,099	18,432	-	23,848,531
EXPENSES				
Salaries	11,440,275	-	-	11,440,275
Payroll Taxes and Fringe Benefits	3,538,232	-	-	3,538,232
Vehicle Expenses	434,604	-	-	434,604
Communications	122,986	-	-	122,986
Depreciation	129,245	-	-	129,245
Facility Expenses	428,762	-	-	428,762
Human Resource	123,504	-	-	123,504
Insurance	379,964	-	-	379,964
Interest and Bank Charges	58,130	-	-	58,130
Supplies and Services, Medical	2,077,007	-	-	2,077,007
Occupancy	1,773,576	-	-	1,773,576
Other Expenses	97,317	2,575	-	99,892
Professional Fees	662,739	7,830	-	670,569
Special Events	190,720	-	-	190,720
Supplies and Services, Operations	764,745	-	-	764,745
Telecommunications	139,096	-	-	139,096
Technology and Equipment	396,309	-	-	396,309
First Alert Stipends	219,425	-	-	219,425
Discount and Subsidized	103,398	-	-	103,398
TOTAL EXPENSES	23,080,034	10,405	-	23,090,439
CHANGE IN NET ASSETS	750,065	8,027	-	758,092
NET ASSETS AND MEMBER'S EQUITY, BEGINNING OF YEAR	1,995,245	-	-	1,995,245
NET ASSETS AND MEMBER'S EQUITY, END OF YEAR	\$ 2,745,310	\$ 8,027	\$ -	\$ 2,753,337

See Accompanying Notes to Consolidated Financial Statements