THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CITY OF NEW YORK

FINANCIAL STATEMENTS AND
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

JUNE 30, 2012 AND 2011

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CITY OF NEW YORK

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CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
The Young Women's Christian Association
of the City of New York
New York, New York

We have audited the accompanying statements of financial position of The Young Women's Christian Association of the City of New York as of June 30, 2012 and the related statements of activities and changes in unrestricted net assets, the statements of changes in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Association's 2011 financial statements and, in our report dated November 3, 2011, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Young Women's Christian Association of the City of New York as of June 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Tait, Weller & Baker LLP

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
December 19, 2012

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CITY OF NEW YORK

STATEMENTS OF FINANCIAL POSITION

June 30, 2012 and 2011

	2012	2011
ASSETS		
Cash and cash equivalents	$ 1,620,682	$ 1,089,409
Investments ***(Note 2)***	15,376,963	16,569,020
Contributions receivable ***(Note 3)***	40,945	51,436
Government and other contract receivables, net ***(Note 4)***	649,559	465,736
Accounts and other receivables	26,606	37,593
Prepaid expenses and other assets	31,982	36,313
Property, plant and equipment, net ***(Note 5)***	611,585	742,254
Total Assets	$ 18,358,322	$ 18,991,761
LIABILITIES		
Accounts payable and accrued expenses	$ 733,901	$ 692,969
Other payables	18,745	11,331
Deferred revenue	991,938	1,096,896
Line of credit ***(Note 7)***	2,456,436	1,022,096
Deferred lease credit ***(Note 8)***	350,768	386,235
Total Liabilities	4,551,788	3,209,527
NET ASSETS ***(Note 6)***		
Unrestricted	12,042,249	14,023,922
Temporarily restricted	49,430	43,457
Permanently restricted	1,714,855	1,714,855
Total Net Assets	13,806,534	15,782,234
Total Liabilities and Net Assets	$ 18,358,322	$ 18,991,761

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CITY OF NEW YORK

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2012 with Summarized Information for the Year Ended June 30, 2011

	UNRESTRICTED							
	Operations	Investment In Plant	Board Designated	Total	Temporarily Restricted	Permanently Restricted	Totals 2012	Totals 2011
Public Support and Revenue:								
Contributions								
Individuals	$ 155,977	$ -	$ -	$ 155,977	$ -	$ -	$ 155,977	$ 186,223
Corporations	25,565	-	-	25,565	5,000	-	30,565	20,771
Foundations	65,000	-	-	65,000	65,000	-	130,000	97,500
Special events – net of direct benefit to donors of $158,620 and $159,388 for 2012 and 2011, respectively	385,819	-	-	385,819	-	-	385,819	481,540
Legacies	48,387	-	-	48,387	-	-	48,387	50,310
Other public support	997	-	-	997	-	-	997	3,724
Total public support	681,745	-	-	681,745	70,000	-	751,745	840,068
Revenue:								
Government contracts	5,529,600	-	-	5,529,600	-	-	5,529,600	5,448,096
Non-government grants	1,524,726	-	-	1,524,726	-	-	1,524,726	1,468,577
Program service fees	387,673	-	-	387,673	-	-	387,673	338,944
Investment return designated for operations ***(Note 2)***	1,100,000	-	-	1,100,000	-	-	1,100,000	1,117,217
Investment income	765	-	-	765	-	-	765	929
Other revenue	7,981	-	-	7,981	-	-	7,981	86,334
Total revenue	8,550,745	-	-	8,550,745	-	-	8,550,745	8,460,097
	9,232,490	-	-	9,232,490	70,000	-	9,302,490	9,300,165
Net assets released from restriction:								
Satisfaction of program restrictions ***(Note 6)***	64,027	-	-	64,027	(64,027)	-	-	-
Total public support and revenue	9,296,517	-	-	9,296,517	5,973	-	9,302,490	9,300,165

See notes to financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CITY OF NEW YORK

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS – (Continued)

Year Ended June 30, 2012 with Summarized Information for the Year Ended June 30, 2011

	UNRESTRICTED							
	Operations	Investment In Plant	Board Designated	Total	Temporarily Restricted	Permanently Restricted	Totals 2012	Totals 2011
Expenses:								
Program Services:								
Youth services	$ 4,574,545	$ 31,961	$ -	$ 4,606,506	$ -	$ -	$ 4,606,506	$ 3,935,858
Women's Employment, Family Resource Center and Wellness	311,533	5,789	-	317,322	-	-	317,322	475,759
Day-Care	3,735,624	39,717	-	3,775,341	-	-	3,775,341	3,907,097
Total program services	8,621,702	77,467	-	8,699,169	-	-	8,699,169	8,318,714
Supporting Services:								
Management and general	918,666	38,818	-	957,484	-	-	957,484	901,722
Development	422,952	1,233	-	424,185	-	-	424,185	485,726
Total support services	1,341,618	40,051	-	1,381,669	-	-	1,381,669	1,387,448
Total expenses	9,963,320	117,518	-	10,080,838	-	-	10,080,838	9,706,162
Excess (deficit) of revenue over expense	(666,803)	(117,518)	-	(784,321)	5,973	-	(778,348)	(405,997)
Other Changes:								
Investment deficit in excess of amounts designated for operations ***(Note 2)***	-	-	(1,197,352)	(1,197,352)	-	-	(1,197,352)	1,457,022
Transfers for plant asset disposals	13,151	(13,151)	-	-	-	-	-	-
Change in net assets	(653,652)	(130,669)	(1,197,352)	(1,981,673)	5,973	-	(1,975,700)	1,051,025
Net Assets								
Beginning of year	(3,300,879)	742,254	16,582,547	14,023,922	43,457	1,714,855	15,782,234	14,731,209
End of year	$ (3,954,531)	$ 611,585	$ 15,385,195	$ 12,042,249	$ 49,430	$ 1,714,855	$ 13,806,534	$ 15,782,234

See notes to financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CITY OF NEW YORK

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2012

	Youth Services	Women's Employment, Family Resource Center And Wellness	Day Care	Total Program Services	Management And General	Development	Total Supporting Services	Total
Salaries, wages and instructors' fees	$2,930,096	$174,782	$2,328,761	$5,433,639	$318,631	$241,372	$ 560,003	$ 5,993,642
Employee benefits and payroll taxes	708,537	46,059	430,339	1,184,935	83,558	63,869	147,427	1,332,362
Total employee expenses	3,638,633	220,841	2,759,100	6,618,574	402,189	305,241	707,430	7,326,004
Occupancy	117,953	29,450	237,078	384,481	117,622	30,191	147,813	532,294
Professional fees	306,742	15,857	211,926	534,525	254,420	49,081	303,501	838,026
Equipment	99,318	13,125	77,343	189,786	39,581	1,649	41,230	231,016
Supplies and services	109,821	8,155	123,942	241,918	11,855	2,867	14,722	256,640
Printing and artwork	1,159	19	261	1,439	400	14,136	14,536	15,975
Advertising	-	-	-	-	-	1,130	1,130	1,130
Telephone	29,912	12,829	25,780	68,521	13,933	1,680	15,613	84,134
Postage and shipping	4,116	1,787	3,532	9,435	1,773	3,827	5,600	15,035
Food and beverages	39,112	3,709	223,304	266,125	2,591	8,664	11,255	277,380
Conferences, conventions and meetings	16,762	402	383	17,547	50	-	50	17,597
Travel	123,485	1,420	8,372	133,277	1,702	192	1,894	135,171
Permits and fees	4,629	35	6,130	10,794	721	500	1,221	12,015
Interest expense and bank fees	16,738	1,020	13,705	31,463	20,975	783	21,758	53,221
Miscellaneous	66,165	2,884	44,768	113,817	50,854	3,011	53,865	167,682
Other operating expenses	935,912	90,692	976,524	2,003,128	516,477	117,711	634,188	2,637,316
Depreciation	31,961	5,789	39,717	77,467	38,818	1,233	40,051	117,518
Total expenses	$4,606,506	$317,322	$3,775,341	$8,699,169	$957,484	$424,185	$1,381,669	$ 10,080,838
Percentage of Expenses				86.3%	9.5%	4.2%	13.7%	100.0%

See notes to financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CITY OF NEW YORK

STATEMENT OF FUNCTIONAL EXPENSES – (Continued)

Year Ended June 30, 2011

	Youth Services	Women's Employment, Family Resource Center And Wellness	Day Care	Total Program Services	Management And General	Development	Total Supporting Services	Total
Salaries, wages and instructors' fees	$2,601,433	$234,144	$2,538,406	$5,373,983	$379,618	$290,946	$ 670,564	$6,044,547
Employee benefits and payroll taxes	553,535	55,864	449,480	1,058,879	91,108	71,002	162,110	1,220,989
Total employee expenses	3,154,968	290,008	2,987,886	6,432,862	470,726	361,948	832,674	7,265,536
Occupancy	81,655	53,874	238,554	374,083	119,907	65,803	185,710	559,793
Professional fees	199,619	14,879	125,241	339,739	133,838	14,696	148,534	488,273
Equipment	127,228	21,295	68,322	216,845	25,663	480	26,143	242,988
Supplies and services	131,768	6,211	133,485	271,464	16,430	12,141	28,571	300,035
Printing and artwork	2,261	377	2,749	5,387	5,151	-	5,151	10,538
Advertising	165	27	686	878	250	3,569	3,819	4,697
Telephone	26,917	17,894	28,190	73,001	15,922	1,385	17,307	90,308
Postage and shipping	4,479	1,603	3,572	9,654	1,508	3,176	4,684	14,338
Food and beverages	38,080	4,074	189,016	231,170	2,772	206	2,978	234,148
Conferences, conventions and meetings	160	585	-	745	616	1,000	1,616	2,361
Travel	82,653	2,657	11,045	96,355	1,201	907	2,108	98,463
Permits and fees	8,594	48	2,793	11,435	440	71	511	11,946
Interest expense and bank fees	-	77	542	619	33,843	-	33,843	34,462
Miscellaneous	50,675	6,068	55,711	112,454	51,008	2,330	53,338	165,792
Other operating expenses	754,254	129,669	859,906	1,743,829	408,549	105,764	514,313	2,258,142
Depreciation	26,636	56,082	59,305	142,023	22,447	18,014	40,461	182,484
Total expenses	$3,935,858	$475,759	$3,907,097	$8,318,714	$901,722	$485,726	$1,387,448	$9,706,162
Percentage of Expenses				85.7%	9.3%	5.0%	14.3%	100.0%

See notes to financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION OF THE CITY OF NEW YORK

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2012 and 2011

	2012	2011
Cash flows from operating activities		
Increase (decrease) in net assets	$ (1,975,700)	$ 1,051,025
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation and amortization	117,518	182,484
Net realized and unrealized (gains) losses	411,215	(2,260,092)
Changes in:		
Accounts and other receivables	10,987	68,272
Government and other contract receivables, net	(183,823)	(6,068)
Contributions receivable	10,491	(2,211)
Prepaid expenses and other assets	4,331	(431)
Accounts payable and accrued expenses	40,932	145,585
Deferred revenue	(104,958)	70,278
Deferred lease credit	(35,467)	(35,468)
Other payables	7,414	(42,596)
Net cash used in operating activities	(1,697,060)	(829,222)
Cash flows from investing activities		
Purchase of investments	(11,852,277)	(8,863,419)
Proceeds from sale of investments	12,633,119	9,638,910
Purchases of property, plant and equipment	-	(109,912)
Dispositions of property, plant and equipment	13,151	-
Net cash provided by investing activities	793,993	665,579
Cash flows from financing activities		
Proceeds from line of credit	1,434,340	864,562
Repayments of line of credit	-	(375,000)
Net cash provided by financing activities	1,434,340	489,562
Net increase in cash and cash equivalents	531,273	325,919
Cash and cash equivalents		
Beginning of period	1,089,409	763,490
End of period	$ 1,620,682	$ 1,089,409
Cash paid for interest	$ 34,340	$ 14,562

(1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The Young Women's Christian Association of the City of New York (the ***"Association"***) is a not-for-profit women's membership organization that strives to create opportunities for women's growth, leadership and power.

The Association is dedicated to eliminating racism, empowering women and promoting peace, justice, freedom and dignity for all. The Association focuses on underserved women through job training and support services for women; educational child care and after-school programs implemented through partnership with business, government agencies and other not-for-profits; and advocacy on behalf of the clients we serve.

ACCRUAL BASIS OF ACCOUNTING

The accompanying consolidated financial statements of the Association have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

For financial reporting purposes, the Association considers highly liquid investments to be cash equivalents.

SUBSEQUENT EVENTS

Subsequent events after the balance sheet date through the date that the financial statements were available for issuance, December 19, 2012, have been evaluated in the preparation of the financial statements.

CONCENTRATION OF CREDIT RISK

The Association occasionally maintains deposits in excess of federally insured limits. Accounting Standards Codification ***("ASC")*** 825, ***"Financial Instruments"*** identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by monitoring the financial institutions in which deposits are made.

The investments are managed by professional investment managers. The degree and concentration of credit risk varies by the type of investment. The target allocations for the Board-designated investment assets are determined by the Organization's Investment Committee; these targets are incorporated into a range expressed as a minimum and maximum for each asset class. The investment policy also includes guidelines for asset quality, investment style, market capitalization and risk concentration.

Receivables result primarily from government and other contract receivables, unconditional promises to give and receivables related to its move to new facilities.

INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at their fair values, with gains and losses, included in the accompanying statements of activities. Net investment income is recorded as unrestricted unless specifically restricted by the donors. Contributions of marketable securities are recorded at their market values at the dates of donation.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost. Depreciation is computed using the straight-line method over the remaining estimated useful lives of the assets as follows:

Furniture and equipment	3 – 10 years
Leasehold improvements	15 years

NET ASSETS

The net assets of the Association and changes therein are classified and reported as follows:

Unrestricted Net Assets – Unrestricted net assets represent those resources that have no donor restrictions as to their use. The following "categories of funds" are represented as unrestricted:

- Available for operations – used to account for the general activity of the Organization.

- Board-designated – established with net proceeds from the sale of its building at 610 Lexington Avenue, New York, New York and subject to investment and spending policies which require approval related to the use of these funds.

Temporarily Restricted Net Assets – Temporarily restricted net assets represent those resources the use of which has been restricted by donors to specific purposes or the passage of time. Net assets released from restrictions represent the satisfaction of the restricted purposes specified by the donor.

Permanently Restricted Net Assets – Permanently restricted net assets represent resources with donor-imposed restrictions that stipulate that the resources be maintained in perpetuity. Related investment income from these resources that is restricted by donors is included in temporarily restricted net assets until the restrictions are satisfied.

GOVERNMENT GRANTS AND OTHER CONTRACTS

The Association records revenue from government and other contracts as the underlying work is performed, as these contracts are structured as exchange transactions and not as restricted or unrestricted grants.

CONTRIBUTIONS

Contributions to the Association are recorded as revenue when received. All contributions are considered available for unrestricted use unless specifically restricted by the donor. The Association records contributions as temporarily restricted if they are received with donor stipulations that limit their use either through purpose or time restrictions.

Pledges (contributions receivable) are recorded as income in the periods in which they are received in writing.

DEFERRED REVENUE

Contract and other revenue received in advance are deferred and recorded as revenues when the expenditures are incurred and revenue is earned.

ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services in reasonable ratios determined by management.

TAX EXEMPT STATUS

The Association is incorporated as a not-for-profit organization, and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state and local taxes under comparable laws.

Management has reviewed the tax positions for each of the open tax years (2009 – 2011) or expected to be taken in the Association's 2012 tax return and has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements.

PRIOR YEAR INFORMATION

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Association's audited financial statements for the year ended June 30, 2011, from which the summarized information was derived.

(2) INVESTMENTS

Investments are comprised of the following as of June 30:

	2012		2011	
	Cost	Fair Value	Cost	Fair Value
Short-Term Investments	$ 565,872	$ 565,872	$ 682,241	$ 682,241
Government Bonds	2,640,051	2,691,331	2,728,306	2,757,228
Corporate Bonds	1,422,429	1,472,134	1,461,470	1,500,261
Mutual Funds				
Fixed Income	1,146,784	1,344,044	1,112,445	1,289,483
Equity	6,518,078	7,773,949	5,614,409	7,599,736
Corporate Stocks	1,566,912	1,529,633	1,985,616	2,299,294
Preferred Stocks	-	-	72,301	80,787
U.S. Treasury Notes	-	-	359,954	359,990
	$ 13,860,126	$ 15,376,963	$ 14,016,742	$ 16,569,020

Investment return for the years ended June 30, 2012 and 2011 is calculated as follows:

	2012	2011
Interest and dividends from investments	$ 397,019	$ 417,446
Investment advisory and custodian fees	(83,156)	(103,299)
Realized gains on sales of securities	624,226	680,251
Net change in unrealized appreciation on investments	(1,035,441)	1,579,841
Total return on investments	$ (97,352)	$ 2,574,239
Investment return designated for current operations	$ 1,100,000	$ 1,117,217
Investment return in excess of amounts designated for current operations	(1,197,352)	1,457,022
	$ (97,352)	$ 2,574,239

The Board of Directors has authorized the Association to recognize as income for operating purposes a fixed rate of return ("spending rate") which is classified as investment return designated for current operations in the statement of activities. The spending rate is primarily derived from interest and dividend income and any shortfalls or monies not required for operations are deducted from or added to realized and unrealized gains or losses on investments. For the years ended June 30, 2012 and 2011, the spending rate was 7% of the market value of those investments as approved by the Board of Directors.

The Association has established the following objectives for its investments: (1) maintain, and if possible increase, the purchasing power of current assets and all future contributions; (2) maintain a constant funding-support-ratio; (3) apply a smoothing rule to mitigate the effects of short-term market volatility on spending; (4) maximize return within reasonable and prudent levels of risk; and (5) maintain an appropriate asset allocation based on a total return policy.

The Association utilized various methods to measure the fair value of its investments on a recurring basis. Generally accepted accounting principles establish a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are described below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Association has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instruments on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Association's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The inputs methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The summary of inputs used to value the Association's investments as of June 30, 2012 and 2011 are as follows:

	2012			
Investments	**Total**	**Level 1 Quoted Prices**	**Level 2 Other Significant Observable Inputs**	**Level 3 Significant Unobservable Inputs**
Short-Term Investments	$ 565,872	$ 565,872	$ -	$ -
Government Bonds	2,691,331	-	2,691,331	-
Corporate Bonds	1,472,134	-	1,472,134	-
Mutual Funds				
Fixed Income	1,344,044	1,344,044	-	-
Equity	7,773,949	7,773,949	-	-
Corporate Stocks	1,529,633	1,529,633	-	-
Totals	$ 15,376,963	$ 11,213,498	$ 4,163,465	$ -

	2011			
Investments	**Total**	**Level 1 Quoted Prices**	**Level 2 Other Significant Observable Inputs**	**Level 3 Significant Unobservable Inputs**
Short-Term Investments	$ 682,241	$ 682,241	$ -	$ -
Government Bonds	2,757,228	-	2,757,228	-
U.S. Treasury Notes	359,990	359,990	-	-
Corporate Bonds	1,500,261	-	1,500,261	-
Mutual Funds				
Fixed Income	1,289,483	1,289,483	-	-
Equity	7,599,736	7,599,736	-	-
Corporate Stocks	2,299,294	2,299,294	-	-
Preferred Stocks	80,787	80,787	-	-
Totals	$ 16,569,020	$ 12,311,531	$ 4,257,489	$ -

There were no transfers between Level 1 and Level 2 during the year ended June 30, 2012 and 2011.

(3) CONTRIBUTIONS RECEIVABLE

Unconditional promises to give are included in the financial statements as pledges receivable and the related contributions revenue is recorded in the statement of activities.

Unconditional promises to give at June 30, 2012 and 2011 are expected to be realized in the following periods:

	2012	**2011**
In one year or less	$40,945	$51,436

(4) GOVERNMENT AND OTHER CONTRACT RECEIVABLES/PAYABLES

Government and other contract receivables/payables are amounts reimbursable to or payable by the Association under the terms of the agreements signed with various governmental agencies and private foundations, which are used to support member services. Contract receivables/payables consisted of the following:

Receivables	**June 30, 2012**	**June 30, 2011**
New York City Department of Youth and Community Development	$ 167,478	$ 103,263
New York City Department of Labor	74,132	19,801
New York City, Administration for Children's Services	64,329	-
New York State Department of Health - Child and Adult Care Food Program	28,167	30,191
New York State Department of Health Comprehensive Adolescent Pregnancy Prevention	50,220	-
United Way	31,648	114,410
The After School Corporation	-	164,918
New York State Education Department - 21st Century Community Learning	126,346	32,917
Other	107,239	236
	$ 649,559	$ 465,736

(5) PROPERTY, PLANT AND EQUIPMENT

The Organization's property, plant and equipment consisted of the following:

	June 30, 2012	**June 30, 2011**
Equipment	$ 137,598	$ 179,333
Furniture	149,046	191,088
Leasehold improvements	762,865	784,731
	1,049,509	1,155,152
Less accumulated depreciation and amortization	(437,924)	(412,898)
	$ 611,585	$ 742,254

(6) NET ASSETS

The Association's temporarily restricted net assets are available for the following purposes:

	June 30, 2012	June 30, 2011
Program Restricted		
Education, job training and community service programs	$49,430	$43,457

For the year ended June 30, 2012 and 2011, temporarily restricted net assets were released from restrictions in fulfillment of the following:

	2012	2011
Youth services	$ 5,832	$ -
Women's employment, family resource center and wellness	58,195	25,000
Education, job training and community service programs	-	23,229
	$ 64,027	$ 48,229

Permanently restricted net assets at June 30, 2012 and 2011 are available for the following purposes:

	2012	2011
Investment in perpetuity, the income from which is available to support the activities of the Association	$1,714,855	$1,714,855

At June 30, 2005, the Board and the Investment Committee established a board-designated fund of approximately $19,218,000 ($18,084,000 in cash and $1,134,000 in securities). The Board and Investment Committee adopted investment guidelines and a spending rate to govern the management of these funds. As of June 30, 2012 and 2011, the Board-designated net assets were $15,385,195 and $16,582,547, respectively.

(7) LINE-OF-CREDIT

The Association has available a $5,000,000 line of credit with its investment manager. The line of credit has an interest rate equal to the 30 day LIBOR plus 1.25% (1.995% at June 30, 2012) and is collateralized by the investment accounts of the Association. For the years ended June 30, 2012 and 2011, the Association had outstanding balances of $2,456,436 and $1,022,096, respectively. Interest expense for the years ended June 30, 2012 and 2011 was $34,340 and $14,562, respectively.

(8) COMMITMENTS AND CONTINGENCY

LEASE COMMITMENTS

At June 30, 2012, the Association is obligated under an operating lease for a day-care center at an annual cost of $75,000 plus utilities. The lease expires June 30, 2013, but, in the event that funding from the City of New York or any of its agencies is terminated, the Association may cancel the lease.

On February 16, 2007, the Association entered into a new lease agreement for office space at 50 Broadway which expires May 31, 2022 and terminated the prior lease at 52 Broadway. The new base rent including electricity for the first year is $309,536 per annum with annual increases thereafter. Rent expense is being recognized on a straight- line basis over the life of the lease. The Association has a standby letter of credit in the amount of $427,158 in lieu of a security deposit. The lease includes a lease incentive of $532,015 for leasehold improvements which has been recorded as a deferred credit and is being amortized on a straight-line basis over the life of the lease. In addition, since both of the lease agreements are with the same landlord the deferred rent credit of approximately $846,000 for the lease holiday on the prior lease at 52 Broadway is being amortized over the life of the new lease at 50 Broadway. The rent expense for the years ended June 30, 2012 and 2011 was approximately $287,000 and $293,000, respectively, net of amortization of lease incentives and abatements. The Association also leases equipment under various operating leases. Minimum annual future cash rental commitments under the office space lease, for years subsequent to June 30, 2012, are as follows:

Year Ending June 30,	
2013	$ 385,000
2014	395,700
2015	406,700
2016	418,000
2017	432,200
2018 and thereafter	2,450,000
	$ 4,487,600

GOVERNMENT GRANTS

Government-funded activities are subject to audit by the applicable government granting agencies. Management is of the opinion that the liability, if any, resulting from a retroactive adjustment due to audit will not have a material effect on the financial statements.

(9) PENSION PLAN

Substantially all of the Association's qualifying full-time employees are covered under the YWCA Retirement Fund, Inc. (a multi-employer cash balance defined benefit pension plan). The required contribution is 10.5% of employee compensation (7.5% by the Association and 3% by the retirement fund). In addition, employees may elect to contribute up to an additional 6% of their compensation, on an after-tax basis. Pension costs are funded as accrued. Pension expense amounted to approximately $111,000 and $141,000 for the years ended June 30, 2012 and 2011, respectively.

(10) CENTRALLY-PAID COSTS

Certain costs associated with the day care program administered by the Association were centrally-paid by the City of New York and are not reflected in the accompanying financial statements. The following centrally-paid costs were budgeted for the period July 1, 2011 through June 30, 2012:

Personnel insurance	$ 536,137
Pension plans	64,683
Rent/space cost agreement	210,988
Gas, light and heat	15,082
HRA agency insurance package	11,619
Real property taxes	59,592
Water charges and sewer rents	6,087
Total	$ 904,188

The actual amounts paid by the City of New York for these costs are not currently determinable.

(11) ACS CONTRACT – GRANT RECEIVABLE

Due from ACS at June 30, 2012 consisted of the following:

Current Year	
Expenditures during the year	$ 2,417,952
Less: Parent fees	(292,381)
Less: Miscellaneous revenues	(1,965)
Total revenues	2,123,606
Cash received from ACS	2,109,562
Due from ACS	$ 14,044

(12) SUBSEQUENT EVENTS

In October 2012, the Roberta Bright Day Care Center (the ***"Center"***), operated by the Organization, sustained significant damage due to the effects of a severe weather related event. A substantial amount of the contents of the Center were destroyed. Additionally, because of structural damage incurred, the Center has yet to re-open. The effects of the loss of equipment and revenue from ceased operations are not yet determinable on the Organization's financial statements.