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

FINANCIAL STATEMENTS

JUNE 30, 2021 AND 2020

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

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GRASSI
ADVISORS & ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of The Young Women's Christian Association of the City of New York, which comprise the statements of financial position at June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows 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 audit 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 entity's 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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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 at June 30, 2021 and 2020, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Grassi & Co, CPAs, P.C.

GRASSI & CO., CPAs, P.C.

New York, New York
January 19, 2022

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

	2021	2020
ASSETS		
Cash	$ 313,389	$ 658,779
Investments	5,413,371	1,951,528
Contribution receivable, net	2,400	2,800
Government and other contracts receivable, net	1,639,915	1,274,402
Prepaid expenses and other assets	79,462	51,045
Beneficial interest in perpetual trust	1,584,731	1,203,304
Fixed assets, net	194,716	65,838
TOTAL ASSETS	$ 9,227,984	$ 5,207,696
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	$ 462,390	$ 360,295
Due to governmental agency	-	57,239
Deferred rent payable	31,075	19,158
Capital lease payable	8,153	18,596
Refundable advance	459,500	459,500
TOTAL LIABILITIES	961,118	914,788
Commitments and Contingencies		
Net Assets:		
Without donor restrictions:		
Operating	5,059,769	1,720,215
Investment in fixed assets	194,716	65,838
Total without donor restrictions	5,254,485	1,786,053
With donor restrictions:		
Restricted for specific purpose	68,520	76,747
Restricted by perpetual trust	1,584,731	1,203,304
Restricted in perpetuity - endowment	1,359,130	1,226,804
Total with donor restrictions	3,012,381	2,506,855
TOTAL NET ASSETS	8,266,866	4,292,908
TOTAL LIABILITIES AND NET ASSETS	$ 9,227,984	$ 5,207,696

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING PUBLIC SUPPORT AND REVENUE:						
Public Support:						
Contributions:						
Individuals	$ 3,166,103	$ -	$ 3,166,103	$ 76,418	$ -	$ 76,418
Corporations	10,967	-	10,967	20,975	-	20,975
Foundations	276,254	87,200	363,454	338,032	116,000	454,032
In-kind contributed services	-	-	-	618,779	-	618,779
Special events, net of direct costs of $969 and $52,774, respectively	250,974	-	250,974	339,285	-	339,285
Total Public Support	3,704,298	87,200	3,791,498	1,393,489	116,000	1,509,489
Revenue:						
Government contracts	2,359,101	-	2,359,101	3,311,054	-	3,311,054
Investment return designated for operations	102,024	-	102,024	495,233	-	495,233
Interest income, net	62,822	22,189	85,011	53,433	-	53,433
Change in beneficial interest in perpetual trust	-	381,427	381,427	-	(29,997)	(29,997)
Other revenue	143,987	-	143,987	24,737	-	24,737
Total Revenue	2,667,934	403,616	3,071,550	3,884,457	(29,997)	3,854,460
Net Assets Released from Restriction	95,427	(95,427)	-	400,148	(400,148)	-
TOTAL OPERATING PUBLIC SUPPORT AND REVENUE	$ 6,467,659	$ 395,389	$ 6,863,048	$ 5,678,094	$ (314,145)	$ 5,363,949

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING EXPENSES:						
Program Services:						
Youth services	$ 1,588,110	$ -	$ 1,588,110	$ 2,784,124	$ -	$ 2,784,124
Girls initiatives	255,139	-	255,139	209,702	-	209,702
Total Program Services	1,843,249	-	1,843,249	2,993,826	-	2,993,826
Support Services:						
Management and general	1,210,442	-	1,210,442	1,581,706	-	1,581,706
Development	212,371	-	212,371	333,845	-	333,845
Total Support Services	1,422,813	-	1,422,813	1,915,551	-	1,915,551
TOTAL OPERATING EXPENSES	3,266,062	-	3,266,062	4,909,377	-	4,909,377
CHANGE IN NET ASSETS FROM OPERATIONS	3,201,597	395,389	3,596,986	768,717	(314,145)	454,572
NONOPERATING ACTIVITIES:						
Investment return in excess of amounts designated for operations	266,835	110,137	376,972	(486,795)	49,144	(437,651)
TOTAL NONOPERATING ACTIVITIES	266,835	110,137	376,972	(486,795)	49,144	(437,651)
CHANGE IN NET ASSETS	3,468,432	505,526	3,973,958	281,922	(265,001)	16,921
NET ASSETS, BEGINNING OF YEAR	1,786,053	2,506,855	4,292,908	1,504,131	2,771,856	4,275,987
NET ASSETS, END OF YEAR	$ 5,254,485	$ 3,012,381	$ 8,266,866	$ 1,786,053	$ 2,506,855	$ 4,292,908

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	Program Services			Supporting Services				
	Youth Services	Girls Initiatives	Total Program Services	Management and General	Development	Total Support Services	Direct Cost of Special Events	2021 Total
Salaries, wages and instructors' fees	$ 1,085,612	$ 166,706	$ 1,252,318	$ 355,575	$ 137,448	$ 493,023	$ -	$ 1,745,341
Employee benefits and payroll taxes	155,361	19,492	174,853	87,712	4,632	92,344	-	267,197
Occupancy	80,979	15,206	96,185	92,694	30,898	123,592	-	219,777
Professional fees	95,616	31,855	127,471	399,801	20,438	420,239	-	547,710
Equipment and software	29,078	10,160	39,238	112,185	-	112,185	-	151,423
Supplies and services	101,883	9,712	111,595	29,657	-	29,657	-	141,252
Printing and artwork	-	-	-	3,695	3,138	6,833	-	6,833
Advertising	-	-	-	100	1,000	1,100	-	1,100
Telephone	-	178	178	12,713	-	12,713	-	12,891
Postage and shipping	450	1,463	1,913	3,501	-	3,501	-	5,414
Food and beverage	10,063	367	10,430	2,341	-	2,341	969	13,740
Conference, conventions and meetings	9,648	-	9,648	21,097	6,362	27,459	-	37,107
Travel and admission	1,562	-	1,562	2,352	-	2,352	-	3,914
Permits and fees	-	-	-	2,640	-	2,640	-	2,640
Interest expense and bank fees	-	-	-	4,140	2,105	6,245	-	6,245
Depreciation	-	-	-	34,505	-	34,505	-	34,505
Other	17,858	-	17,858	40,869	-	40,869	-	58,727
Catering and facility rental	-	-	-	4,865	6,350	11,215	-	11,215
Total Expenses	1,588,110	255,139	1,843,249	1,210,442	212,371	1,422,813	969	3,267,031
Less: Direct cost of special events	-	-	-	-	-	-	(969)	(969)
Total Expenses Reported by Function on the Statement of Activities	$ 1,588,110	$ 255,139	$ 1,843,249	$ 1,210,442	$ 212,371	$ 1,422,813	$ -	$ 3,266,062

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	Program Services			Supporting Services				
	Youth Services	Girls Initiatives	Total Program Services	Management and General	Development	Total Support Services	Direct Cost of Special Events	2020 Total
Salaries, wages and instructors' fees	$ 1,768,328	$ 99,194	$ 1,867,522	$ 314,985	$ 89,386	$ 404,371	$ -	$ 2,271,893
Employee benefits and payroll taxes	300,897	12,544	313,441	74,498	14,926	89,424	-	402,865
Occupancy	71,542	34,198	105,740	81,893	27,298	109,191	-	214,931
Professional fees	326,302	25,164	351,466	393,332	110,988	504,320	-	855,786
Professional fees - in-kind contributed services	-	-	-	539,779	79,000	618,779	-	618,779
Equipment and software	45,405	10,721	56,126	17,031	209	17,240	-	73,366
Supplies and services	33,314	5,812	39,126	12,667	783	13,450	-	52,576
Printing and artwork	-	-	-	17	1,796	1,813	-	1,813
Advertising		-	-	-	2,496	2,496	-	2,496
Telephone	19,064	1,885	20,949	885	-	885	-	21,834
Postage and shipping	179	-	179	828	-	828	-	1,007
Food and beverage	1,563	4,675	6,238	3,413	233	3,646	-	9,884
Conference, conventions and meetings	-	-	-	51,291	6,730	58,021	52,774	110,795
Travel and admission	47,005	13,070	60,075	34,064	-	34,064	-	94,139
Permits and fees	-	-	-	7,058	-	7,058	-	7,058
Interest expense and bank fees	-	-	-	11,037	-	11,037	-	11,037
Depreciation and amortization	-	-	-	26,131	-	26,131	-	26,131
Other	170,525	2,439	172,964	12,797	-	12,797	-	185,761
Total Expenses	2,784,124	209,702	2,993,826	1,581,706	333,845	1,915,551	52,774	4,962,151
Less: Direct cost of special events	-	-	-	-	-	-	(52,774)	(52,774)
Total Expenses Reported by Function on the Statement of Activities	$ 2,784,124	$ 209,702	$ 2,993,826	$ 1,581,706	$ 333,845	$ 1,915,551	$ -	$ 4,909,377

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 3,973,958	$ 16,921
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	34,505	26,131
Realized (gains) losses on sale of investments	(77,383)	(470,693)
Unrealized gains on investments	(401,471)	413,245
Change in beneficial interest in perpetual trust	(381,427)	29,997
Deferred rent payable	11,917	17,143
Changes in assets (increase) decrease:		
Contribution receivable	400	(2,800)
Government and other contracts receivable	(365,513)	(555,614)
Prepaid expenses and other assets	(28,417)	42,784
Changes in liabilities increase (decrease):		
Accounts payable and accrued expenses	102,095	(12,459)
Due to governmental agency	(57,239)	57,239
Net Cash Provided by (Used in) Operating Activities	2,811,425	(438,106)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	244,450	2,808,058
Purchase of investments	(3,227,439)	(496,335)
Purchase of fixed assets	(163,383)	(34,972)
Net Cash (Used in) Provided by Investing Activities	(3,146,372)	2,276,751
CASH FLOWS FROM FINANCING ACTIVITIES:		
Refundable advance	-	459,500
Payments on capital leases payables	(10,443)	(13,489)
Principal payments on line of credit	-	(1,855,712)
Net Cash Used in Financing Activities	(10,443)	(1,409,701)
NET (DECREASE) INCREASE IN CASH	(345,390)	428,944
CASH, BEGINNING OF YEAR	658,779	229,835
CASH, END OF YEAR	$ 313,389	$ 658,779
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	$ -	$ 10,564

The accompanying notes are an integral part of these financial statements.

Note 1 - Nature of Organization

The Young Women's Christian Association of the City of New York (the "YW-NYC") is dedicated to eliminating racism, empowering women and promoting peace, justice, freedom and dignity for all. Established in 1858, the YW-NYC is one of the nation's oldest organizations committed to the personal and social development of women, their families, and their communities. In honor of this history, and in service to its mission, the YW-NYC currently provides leadership and advocacy training for young women through its Girls Initiatives, and after school and summer camps for elementary and middle school students in culturally diverse communities in New York City. The YW-NYC is primarily funded by government contracts, non-government grants, individual donors and investment income.

The YW-NYC 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.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a framework for measuring fair value is used which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Note 2 - Summary of Significant Accounting Policies

Fair Value Measurement (cont'd.)

The three levels of the fair value hierarchy under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement*, are described as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting the YW-NYC's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Refer to Note 5 for assets measured at fair value at June 30, 2021 and 2020 in accordance with FASB ASC Topic 820.

Investments

Investments are reported at fair value, with gains and losses included in the accompanying statement of activities. Net investment income is recorded as net assets without donor restrictions unless specifically restricted by the donors. Contributions of investments are recorded at their market values at the date of donation.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes gains and losses on investments bought and sold as well as held during the year.

Beneficial Interest in Perpetual Trust

The YW-NYC is a beneficiary of a perpetual trust held by another entity as trustee. The YW-NYC's beneficial interest in this trust is recorded at the fair value of the assets underlying the trust at the statement of financial position date.

Fixed Assets

Fixed assets are stated at cost. The YW-NYC capitalizes all purchases of property and equipment equal to or in excess of $5,000. Repairs and maintenance are charged to expense in the period incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Equipment and software	5 to 10 years
Furniture	5 to 10 years

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Net Assets

Net assets without donor restrictions include funds having no restrictions as to use or purpose imposed by the donors. The following "categories of funds" are represented as without donor restriction:

- Operating - used to account for the general activity of the YW-NYC.
- Investment in fixed assets - represents the net book value of fixed assets.

Net assets with donor restrictions are those whose use has been limited by donors to a specific time period or purpose, or those net assets whose principal may or may not have been expended, the income from which is expendable to support general operations

Government Grant and Contracts Revenue, Receivables and Advances from Government Agencies

Support funded by government grants and contracts is recognized as the YW-NYC meets the conditions prescribed by the contract, performs the contracted services or incurs outlays eligible for reimbursement under the contracts. To the extent amounts received exceed amounts spent, the YW-NYC establishes advances from government funders. As the conditions are met, the YW-NYC simultaneously releases the government contracts and they are reflected as without donor restrictions. Contract activities and outlays are subject to audit and acceptance by the funding agency and, as a result of such audit, adjustments could be required.

In-Kind Contributions

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of services are recognized if the services create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donations.

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Contributions

Contributions are provided to the YW-NYC either with or without donor restrictions. Revenues and net assets are separately reported to reflect the nature of those gifts - with or without donor restrictions. The value recorded for each contribution or grant is recognized as follows:

Nature of the Gift	Value Recognized
Conditional gifts and grants, with or without restrictions	
Gifts and grants that depend on the YW-NYC overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, i.e., the donor-imposed barrier is met
Unconditional gifts and grants, with or without restrictions	
Received at date of gift - cash and other assets	Fair value
Received at date of gift - property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

Contributions (cont'd.)

Contributions received and unconditional promises to give are recorded as public support at fair value in the period received and are considered to be net assets without donor restrictions unless specifically restricted by the donor. Contributions are recorded net of estimated uncollectible amounts. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met. The YW-NYC records contributions as donor restricted if they are received with donor stipulations that limit their use either through purpose or time restrictions.

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Allowance for Doubtful Accounts

The YW-NYC determines whether an allowance for doubtful accounts should be provided for contributions receivable and for government and other contracts receivables. Such estimates are based on management's assessment of the aged basis of the receivables, current economic conditions and historical information. Contributions receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. Interest is not charged on outstanding receivables. The allowance for doubtful accounts and bad debt expense are either increased or decreased based upon management's assessment of the potential future uncollectible receivables at June 30, 2021 and 2020. The YW-NYC has established an allowance for doubtful accounts on contributions of $5,000 at both June 30, 2021 and 2020, and on government grants and other contracts of $0 and $20,902 at June 30, 2021 and 2020, respectively.

Refundable Advance

The YW-NYC recognizes assets received with conditions as refundable advances until the conditions have been substantially met or explicitly waived by the donor.

Operating Leases

Operating lease expense has been recorded on the straight-line basis over the life of the lease. Deferred rent has been recorded for the difference between the fixed payment and rent expense.

Functional Expenses

The costs of providing the YW-NYC's various programs and supporting services have been summarized on a functional basis in the statements of activities. Those expenses include salaries and fringe benefits and occupancy. Salaries and fringe benefits are allocated across programs based on the proportional share of the employee's full-time equivalent charged to that program or prescribed time study methodology. Occupancy is allocated based on the usable square footage charged to that program.

Operating Measure

Operating revenues and expenses reflect the activities in which the YW-NYC engages in order to fulfill its mission. Investment income in excess of amounts designated for operations is considered nonoperating.

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Accounting for Uncertainty in Income Taxes

The YW-NYC has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The YW-NYC is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The YW-NYC believes it is no longer subject to income tax examinations for years prior to 2018.

New Accounting Pronouncements

ASU No. 2020-07

In September 2020, the FASB issued Accounting Standards Update ("ASU") No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets.* The ASU increases transparency and provides financial clarity with the reporting of noncash contributions, known as gifts-in-kind. The guidance in this ASU provides for new presentation and disclosure requirements regarding contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. It requires not-for-profit entities to present contributed nonfinancial assets separately in the statement of activities apart from contributions of cash or other financial assets.

The amendments of ASU No. 2020-07 are effective for annual reporting periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early application is permitted for all entities.

ASU No. 2016-02

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU is the result of a joint project of the FASB and the International Accounting Standards Board ("IASB") to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements for U.S. GAAP and International Financial Reporting Standards ("IFRS"). The guidance in this ASU affects any entity that enters into a lease (as that term is defined in this ASU), with some specified scope exemptions. The guidance in this ASU will supersede FASB ASC Topic 840, *Leases*.

The ASU provides that lessees should recognize lease assets and lease liabilities on the balance sheet for leases previously classified as operating leases that exceed 12 months, including leases existing prior to the effective date of this ASU. It also calls for enhanced leasing arrangement disclosures.

For the YW-NYC, this ASU will be effective for the fiscal year ending June 30, 2023.

The YW-NYC has not yet determined if these ASUs will have a material effect on its financial statements.

Note 3 - Investments

Investments are reported at fair value and are comprised of the following as of June 30, 2021 and 2020:

	2021		2020	
	Fair Value	Cost	Fair Value	Cost
Cash and money market	$ 31,504	$ 31,504	$ 24,735	$ 24,735
Equities	4,167,568	3,407,622	1,525,290	1,194,227
Mutual funds	1,214,299	1,211,007	401,503	376,050
	$5,413,371	$4,650,133	$1,951,528	$1,595,012

Investment returns for the years ended June 30, 2021 and 2020 are calculated as follows:

	2021	2020
Interest and dividends from investments	$ 142	$ 134
Realized gains on sale of investments	77,383	470,693
Unrealized gains (losses) on investments	401,471	(413,245)
Total investment income	$ 478,996	$ 57,582
Investment return designated for operations	$ 102,024	$ 495,233
Investment return in excess of amounts designated for current operations	376,972	(437,651)
	$ 478,996	$ 57,582

The Board of Directors (the "Board") has authorized the YW-NYC to recognize as income for operating purposes a spending rate (or specified amount) that is approved by the Board. This amount is classified as investment return designated for current operations in the statements of activities. The spending policy is reviewed and adjusted annually by the Board as it deems appropriate and in keeping with the investment objectives and needs of the YW-NYC.

The YW-NYC 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 effect 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.

Note 4 - Concentration of Credit Risk

The YW-NYC maintains cash balances in several financial institutions, which balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to $250,000 per institution. From time to time, the YW-NYC's balances may exceed these limits.

Note 5 - Fair Value Measurement

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at June 30, 2021.

Cash and money market funds and equities are categorized as Level 1 and are valued using quoted prices for identical assets in active markets.

Mutual funds are valued at the daily closing price as reported by the fund. The mutual funds are deemed to be actively traded.

Assets using Level 3 inputs consist of the YW-NYC's beneficial interest in perpetual trust. The beneficial interest in perpetual trust is valued utilizing the net asset value of the YW-NYC's interest in the trust. The underlying holdings of the trust are primarily marketable securities, which are valued based on quoted prices for identical assets and liabilities in active markets.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the YW-NYC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Items Measured at Fair Value on a Recurring Basis

The following table presents the YW-NYC's assets that are measured at fair value on a recurring basis at June 30, 2021 and 2020:

	2021			
	Total	Level 1	Level 2	Level 3
Cash and money market	$ 31,504	$ 31,504	$ -	$ -
Equities	4,167,568	4,167,568	-	-
Mutual funds	1,214,299	1,214,299	-	-
	5,413,371	5,413,371	-	-
Beneficial interest in perpetual trust	1,584,731	-	-	1,584,731
	$6,998,102	$5,413,371	$ -	$1,584,731

Note 5 - Fair Value Measurement (cont'd.)

	2020			
	Total	Level 1	Level 2	Level 3
Cash and money market	$ 24,735	$ 24,735	$ -	$ -
Equities	1,525,290	1,525,290	-	-
Mutual funds	401,503	401,503	-	-
	1,951,528	1,951,528	-	-
Beneficial interest in perpetual trust	1,203,304	-	-	1,203,304
	$3,154,832	$1,951,528	$ -	$1,203,304

The following is a reconciliation of the beginning and ending balances for assets measured at fair value using significant unobservable inputs (Level 3):

	2021	2020
Balance, beginning of year	$1,203,304	$1,233,301
Unrealized gain (loss)	381,427	(29,997)
Balance, end of year	$1,584,731	$1,203,304

Note 6 - Beneficial Interest in Perpetual Trust

The YW-NYC is the beneficiary of the Ruby B. Fleming perpetual trust held by a third party. The income generated on the trust is payable annually at 11.11% of the corpus to the YW-NYC. The contribution is classified as restricted in perpetuity - endowment, and the annual distributions are reported as without donor restricted interest and dividends.

Note 7 - Line of Credit

The YW-NYC 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 1.75% (totaling 1.89% at June 30, 2021 and 1.93% at June 30, 2020) and is collateralized by the investment accounts of the YW-NYC. At June 30, 2021 and 2020, the YW-NYC had no outstanding balance on the line of credit. Interest expense for the years ended June 30, 2021 and 2020 was $0 and $10,564, respectively.

Note 8 - Fixed Assets

Fixed assets, net consist of the following:

	2021	2020
Equipment and software	$ 293,417	$ 160,034
Furniture	33,384	3,384
	326,801	163,418
Less: Accumulated depreciation	132,085	97,580
	$ 194,716	$ 65,838

Depreciation expense was $34,505 and $26,131 for the years ended June 30, 2021 and 2020, respectively.

Note 9 - Refundable Advance

In May 2020, the YW-NYC received a $459,500 loan from a financial institution under the Paycheck Protection Program ("PPP"), established by the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") administered by the Small Business Administration with support from the Department of the Treasury. Under the terms of the CARES Act and the PPP, the YW-NYC can apply for and be granted forgiveness for all or a portion of the loan issued to the extent the proceeds are used in accordance with the PPP. Subsequent to year-end, in September 2021, the YW-NYC applied for and was granted forgiveness for the full amount, including interest of $6,118. As a result, the amount will be recorded as income in the statement of activities for the year ending June 30, 2022.

Note 10 - Endowment Fund

General

The YW-NYC's endowment consists of a donor-restricted fund established primarily to provide long-term support for its charitable programs. As required by U.S. GAAP, net assets associated with the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The State of New York enacted the New York Prudent Management of Institutional Funds Act ("NYPMIFA"), a modified version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). The YW-NYC has evaluated the effect of NYPMIFA on the investments, appropriation and management of institutional funds and is establishing procedures to comply with its provisions.

The YW-NYC interprets state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the YW-NYC (a) classifies as net assets with donor restrictions the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The YW-NYC has considered the following factors in making a determination to appropriate or calculate donor-restricted endowment funds:

1. Duration of the fund
2. General purposes of the organization and the donor-restricted endowment funds
3. General economic conditions
4. Possible effect of inflation or deflation
5. Expected total return from income and appreciation of investments
6. Other resources of the organization
7. Investment policy of the organization

Note 10 - Endowment Fund (cont'd.)

Return Objectives, Strategies Employed and Spending Policy

Subject to any restrictions imposed by the donor of a gift on expenditure of principal, income or use of the donated assets, the YW-NYC utilizes a total return investment approach with its asset allocation diversified over multiple asset classes. Target allocation percentages are established for various asset classes and are modified over time. Performance is measured against a composite benchmark of investment indices reflecting the target asset allocation. In recent years, the YW-NYC has followed a policy of budgeting the spending of 4% of the trailing three-year average of its endowment funds, subject to abiding by the purpose and other restrictions of certain of the funds. Under this policy, as approved by the YW-NYC's Board, the endowment assets are invested in a number of different asset classes and investment strategies to diversify the investments to provide a balance that will enhance the long-term total return of the overall investment portfolio while avoiding undue risk or concentration in any single asset class or investment category.

Endowment assets include those assets of certain donor-restricted funds contributed prior to September 17, 2010 which the YW-NYC must hold in perpetuity, preserving the original principal amount and, in some cases, spending only the income generated by such assets in accordance with the donor's instructions. Where the gifts have been so restricted, while assets are invested in accordance with the above philosophy of diversification and asset allocation, only the net appreciation and income are utilized for YW-NYC programs and, in some cases, only the income is utilized.

The following is a reconciliation of the activity in the donor-restricted endowment funds for the years ended June 30, 2021 and 2020:

	Accumulated Unspent Earnings	Original Donor Gifts	Total
Balance, July 1, 2019	$ 634,676	$ 807,194	$ 1,441,870
Investment income, net	49,144	-	49,144
Releases	-	(264,210)	(264,210)
Balance, June 30, 2020	683,820	542,984	1,226,804
Investment income, net	132,326	-	132,326
Balance, June 30, 2021	$ 816,146	$ 542,984	$ 1,359,130

Note 11 - Net Assets with Donor Restrictions and Net Assets Released from Restrictions

The following is a summary of the net assets that were added and released from donor restrictions during the year ended June 30, 2021:

	Beginning Balance	Additions	Releases	Ending Balance
Restricted Legacy	$ 30,016	$ -	$ -	$ 30,016
Youth Services	6,731	41,200	(9,427)	38,504
Girls Initiatives	40,000	46,000	(86,000)	-
Restricted for specific purpose	76,747	87,200	(95,427)	68,520
Restricted in perpetuity - endowment	1,226,804	132,326	-	1,359,130
	$ 1,303,551	$ 219,526	$ (95,427)	$ 1,427,650

The following is a summary of the net assets that were added and released from donor restrictions during the year ended June 30, 2020:

	Beginning Balance	Additions	Releases	Ending Balance
Restricted Legacy	$ 30,016	$ -	$ -	$ 30,016
Youth Services	-	25,000	(18,269)	6,731
Girls Initiatives	20,000	91,000	(71,000)	40,000
Development and Communications	46,669	-	(46,669)	-
Restricted for specific purpose	96,685	116,000	(135,938)	76,747
Restricted in perpetuity - endowment	1,441,870	49,144	(264,210)	1,226,804
	$ 1,538,555	$ 165,144	$ (400,148)	$ 1,303,551

Note 12 - Retirement Plans

The YW-NYC contributes to YWCA Retirement Fund, Inc., a multiemployer defined benefit pension plan, under the terms of a participation agreement for its employees. The risks of participating in this multiemployer plan are different from a single-employer plan in the following aspects:

a. Assets contributed to the 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 YW-NYC chooses to stop participating in its multiemployer plan, it may be required to pay an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The YW-NYC's participation in this plan for the annual period ended June 30, 2021, 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 most recent Pension Protection Act ("PPA") zone status available in 2021 is for the plan's year-end at December 31, 2020.

The zone status is based on information that the YW-NYC 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 65 percent to 80 percent funded, and plans in the green zone are at least 80 percent funded.

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 date of the collective-bargaining agreement to which the plan is subject. Finally, the number of employees covered by the YWCA multiemployer plan decreased from 2020 to 2021, affecting the year-over-year comparability of the contributions. The significant reduction in covered employees corresponds to a reduction in overall business.

Pension Fund	EIN/ Pension Plan Number	Pension Protection Act Zone Status	FIP/RP Status Pending / Implemented	Contributions for the Year Ended June 30, 2021	Contributions for the Year Ended June 30, 2020	Surcharge Imposed	Expiration Date of Collective - Bargaining Agreement
YWCA Retirement Fund, Inc.	13-1624231	Green	N/A	$ 21,662	$ 29,100	N/A	N/A

The YW-NYC also offers a retirement plan, YWCA NYC 403 (b) Plan, for eligible participants to contribute their own money to the plan on a tax-deferred basis through payroll deductions.

Note 13 - Commitments and Contingencies

Lease Commitment

The YW-NYC leases office space under a noncancellable lease agreement that expires in May 2027. Future minimum annual rental commitments under the office space lease for years subsequent to June 30, 2021 are as follows:

Years Ending June 30:	
2022	$ 181,246
2023	191,779
2024	197,002
2025	202,399
2026	207,907
Thereafter	195,320
	$ 1,175,653

Total rent expense was $181,532 and $176,309 for the years ended June 30, 2021 and 2020, respectively. Cash paid for rent was $186,396 and $203,952 for the years ended June 30, 2021 and 2020, respectively.

Government Grants

The YW-NYC has contracted with various funding agencies to perform services and receives reimbursements from state and city governments. Reimbursements received under these contracts and payments are subject to audit by the city and state governments. Upon audit, if discrepancies are discovered, the YW-NYC could be held responsible for refunding the amounts in question. The YW-NYC records such adjustments when the final audit amount is determined. At June 30, 2021 and 2020, there were no material obligations as a result of such audits, and the YW-NYC's management believes that unaudited activities will not result in any material obligations. In the opinion of the YW-NYC's management, any liabilities that might be incurred would not have a material effect on the YW-NYC's financial position or results of operations.

Litigation

The YW-NYC is involved in litigation arising during the normal course of business. Management estimates that such matters will be resolved without a material adverse effect on the YW-NYC's future financial position, liquidity and results from operations.

Global Pandemic

As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the recognition of program services revenue and the collectability of receivables. Other financial impact could occur, though such potential impact is unknown at this time.

Note 14 - Obligations Under Capital Leases

The YW-NYC has entered into a capital lease agreement with Superior Office Systems to lease various types of equipment in the total amount of $27,907 at a fixed interest rate. Principal and interest are due monthly. Interest at June 30, 2021 and 2020 was 4.25%. The final payment is due in December 2022. The equipment was recorded at fair value at the date of the lease agreement. Accumulated depreciation expense related to equipment amounted to $18,605 and $13,289 for the years ended June 30, 2021 and 2020, respectively. The outstanding balance due for the Superior Office Systems lease as of June 30, 2021 and 2020 was $8,153 and $18,596, respectively.

Future minimum lease payments under the capital lease at June 30, 2021 are as follows:

Years Ending June 30:	
2022	$ 5,704
2023	2,449
	$ 8,153

Note 15 - Available Resources and Liquidity

The YW-NYC regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The YW-NYC has various sources of liquidity at its disposal, including cash, investments and a line of credit. See Note 7 for information about the YW-NYC's line of credit.

The following reflects the YW-NYC's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

Note 15 - Available Resources and Liquidity (cont'd.)

	2021	2020
Cash	$ 313,389	$ 658,779
Investments	5,413,371	1,951,528
Contribution receivable, net	2,400	2,800
Government and other contracts receivable, net	1,639,915	1,274,402
Total financial assets	7,369,075	3,887,509
Less: Donor restrictions for specific purposes:		
Restricted for specific purpose	68,520	76,747
Restricted in perpetuity - endowment	1,359,130	1,226,804
Financial assets available to meet cash needs for general expenditures within one year	$ 5,941,425	$2,583,958

Note 16 - Subsequent Events

The YW-NYC has evaluated all events or transactions that occurred after June 30, 2021 through January 19, 2022, which is the date that the financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure, except as described in Note 9.