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

FINANCIAL STATEMENTS

JUNE 30, 2023 AND 2022

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

Opinion

We have audited the accompanying financial statements of The Young Women's Christian Association of the City of New York (a nonprofit organization), which comprise the statements of financial position at June 30, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

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, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Young Women's Christian Association of the City of New York and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, The Young Women's Christian Association of the City of New York changed its accounting policy related to its recording of leases whereby it is recognizing a right-of-use asset and a lease liability for all lease agreements with a term greater than 12 months. The policy was adopted retrospectively effective July 1, 2022. There was no cumulative effect of initially applying the policy as of the date of application. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Young Women's Christian Association of the City of New York's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

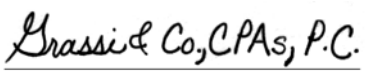
Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Young Women's Christian Association of the City of New York's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Young Women's Christian Association of the City of New York's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



GRASSI & CO., CPAs, P.C.

New York, New York
December 20, 2023

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF THE CITY OF NEW YORK
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

	2023	2022
ASSETS		
Cash	$ 1,218,113	$ 495,746
Investments	3,941,933	4,031,388
Contribution receivable, net	30,250	11,400
Government and other contracts receivable, net	1,247,146	2,161,619
Prepaid expenses and other assets	98,254	112,078
Beneficial interest in perpetual trust	1,475,135	1,294,864
Operating lease right-of-use assets	710,417	-
Finance leases right-of-use assets	24,442	-
Fixed assets, net	225,716	274,602
TOTAL ASSETS	$ 8,971,406	$ 8,381,697
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	$ 654,084	$ 658,553
Deferred revenue	30,265	388,508
Deferred rent payable	-	43,279
Capital lease payable	-	2,449
Finance lease liabilities	24,599	-
Operating lease liabilities	755,367	-
TOTAL LIABILITIES	1,464,315	1,092,789
Commitments and Contingencies		
Net Assets:		
Without donor restrictions:		
Operating	4,319,922	4,391,254
Investment in fixed assets	225,716	274,602
Total without donor restrictions	4,545,638	4,665,856
With donor restrictions:		
Restricted for specific purpose	177,804	120,269
Restricted by perpetual trust	1,475,135	1,294,864
Restricted in perpetuity - endowment	1,308,514	1,207,919
Total with donor restrictions	2,961,453	2,623,052
TOTAL NET ASSETS	7,507,091	7,288,908
TOTAL LIABILITIES AND NET ASSETS	$ 8,971,406	$ 8,381,697

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 AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING PUBLIC SUPPORT AND REVENUE:						
Public Support:						
Contributions:						
Individuals	$ 41,194	$ -	$ 41,194	$ 61,118	$ -	$ 61,118
Corporations	1,546	-	1,546	7,984	-	7,984
Foundations	169,303	302,500	471,803	155,040	220,000	375,040
Paycheck Protection Program	-	-	-	459,500	-	459,500
Special events, net of direct costs of $44,186 and $36,114, respectively	206,453	-	206,453	135,215	-	135,215
Total Public Support	418,496	302,500	720,996	818,857	220,000	1,038,857
Revenue:						
Government contracts	4,644,102	-	4,644,102	3,932,836	-	3,932,836
Investment return designated for operations	400,000	-	400,000	780,000	-	780,000
Interest income, net	70,781	18,019	88,800	71,139	20,003	91,142
Change in beneficial interest in perpetual trust	-	180,271	180,271	-	(289,867)	(289,867)
Other revenue	12,279	-	12,279	48,536	-	48,536
Total Revenue	5,127,162	198,290	5,325,452	4,832,511	(269,864)	4,562,647
Net Assets Released from Restriction	244,965	(244,965)	-	168,251	(168,251)	-
TOTAL OPERATING PUBLIC SUPPORT AND REVENUE	$ 5,790,623	$ 255,825	$ 6,046,448	$ 5,819,619	$ (218,115)	$ 5,601,504

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 AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING EXPENSES:						
Program Services:						
Youth services	$ 3,439,268	$ -	$ 3,439,268	$ 2,813,572	$ -	$ 2,813,572
Girls initiatives	271,845	-	271,845	376,751	-	376,751
Total Program Services	3,711,113	-	3,711,113	3,190,323	-	3,190,323
Support Services:						
Management and general	1,497,841	-	1,497,841	1,542,962	-	1,542,962
Development	427,586	-	427,586	360,959	-	360,959
Total Support Services	1,925,427	-	1,925,427	1,903,921	-	1,903,921
TOTAL OPERATING EXPENSES	5,636,540	-	5,636,540	5,094,244	-	5,094,244
CHANGE IN NET ASSETS FROM OPERATIONS	154,083	255,825	409,908	725,375	(218,115)	507,260
NONOPERATING ACTIVITIES:						
Investment return in (deficit) excess of amounts designated for operations	(274,301)	82,576	(191,725)	(1,314,004)	(171,214)	(1,485,218)
TOTAL NONOPERATING ACTIVITIES	(274,301)	82,576	(191,725)	(1,314,004)	(171,214)	(1,485,218)
CHANGE IN NET ASSETS	(120,218)	338,401	218,183	(588,629)	(389,329)	(977,958)
NET ASSETS, BEGINNING OF YEAR	4,665,856	2,623,052	7,288,908	5,254,485	3,012,381	8,266,866
NET ASSETS, END OF YEAR	$ 4,545,638	$ 2,961,453	$ 7,507,091	$ 4,665,856	$ 2,623,052	$ 7,288,908

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, 2023

	Program Services			Supporting Services				
	Youth Services	Girls Initiatives	Total Program Services	Management and General	Development	Total Support Services	Direct Cost of Special Events	2023 Total
Salaries, wages and instructors' fees	$ 1,970,622	$ 112,414	$ 2,083,036	$ 305,003	$ 113,664	$ 418,667	$ -	$ 2,501,703
Employee benefits and payroll taxes	289,309	16,533	305,842	100,863	8,653	109,516	-	415,358
Occupancy	-	30,805	30,805	213,263	-	213,263	-	244,068
Professional fees	458,160	35,331	493,491	604,642	210,294	814,936	-	1,308,427
Equipment and software	32,800	16,730	49,530	45,450	8,284	53,734	-	103,264
Supplies and services	180,067	20,131	200,198	5,058	525	5,583	-	205,781
Printing and artwork	-	-	-	759	20,094	20,853	-	20,853
Advertising	-	-	-	10	13,383	13,393	-	13,393
Telephone	-	200	200	8,658	-	8,658	-	8,858
Postage and shipping	77	327	404	2,263	5,240	7,503	-	7,907
Food and beverage	147,195	17,323	164,518	6,108	35,804	41,912	-	206,430
Conference, conventions and meetings	5,892	-	5,892	26,396	10,733	37,129	-	43,021
Travel and admission	240,146	4,931	245,077	3,382	-	3,382	-	248,459
Interest expense and bank fees	-	-	-	15,372	912	16,284	-	16,284
Depreciation	-	-	-	71,513	-	71,513	-	71,513
Other	115,000	17,120	132,120	89,101	-	89,101	-	221,221
Catering and facility rental	-	-	-	-	-	-	44,186	44,186
Total Expenses	3,439,268	271,845	3,711,113	1,497,841	427,586	1,925,427	44,186	5,680,726
Direct cost of special events	-	-	-	-	-	-	(44,186)	(44,186)
Total Expenses Reported by Function on the Statements of Activities	$ 3,439,268	$ 271,845	$ 3,711,113	$ 1,497,841	$ 427,586	$ 1,925,427	$ -	$ 5,636,540

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, 2022

	Program Services			Supporting Services				
	Youth Services	Girls Initiatives	Total Program Services	Management and General	Development	Total Support Services	Direct Cost of Special Events	2022 Total
Salaries, wages and instructors' fees	$ 1,556,974	$ 144,754	$ 1,701,728	$ 444,232	$ 11,183	$ 455,415	$ -	$ 2,157,143
Employee benefits and payroll taxes	288,782	22,686	311,468	99,658	2,115	101,773	-	413,241
Occupancy	87,283	17,308	104,591	99,910	33,303	133,213	-	237,804
Professional fees	116,246	150,183	266,429	627,164	299,085	926,249	-	1,192,678
Equipment and software	217,836	11,164	229,000	56,946	-	56,946	-	285,946
Supplies and services	248,862	4,058	252,920	6,306	-	6,306	-	259,226
Printing and artwork	-	-	-	1,172	4,783	5,955	-	5,955
Advertising	-	-	-	19,995	-	19,995	-	19,995
Telephone	-	60	60	10,711	-	10,711	-	10,771
Postage and shipping	-	101	101	2,032	2,919	4,951	-	5,052
Food and beverage	116,248	1,440	117,688	5,134	-	5,134	-	122,822
Conference, conventions and meetings	20,471	-	20,471	37,122	7,434	44,556	-	65,027
Travel and admission	82,601	1,262	83,863	2,558	-	2,558	-	86,421
Permits and fees	50	-	50	2,827	-	2,827	-	2,877
Interest expense and bank fees	-	-	-	9,571	137	9,708	-	9,708
Depreciation	-	-	-	58,650	-	58,650	-	58,650
Other	78,219	23,735	101,954	58,974	-	58,974	-	160,928
Catering and facility rental	-	-	-	-	-	-	36,114	36,114
Total Expenses	2,813,572	376,751	3,190,323	1,542,962	360,959	1,903,921	36,114	5,130,358
Direct cost of special events	-	-	-	-	-	-	(36,114)	(36,114)
Total Expenses Reported by Function on the Statements of Activities	$ 2,813,572	$ 376,751	$ 3,190,323	$ 1,542,962	$ 360,959	$ 1,903,921	$ -	$ 5,094,244

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, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 218,183	$ (977,958)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Bad debt expense	133,574	79,043
Depreciation expense	71,513	58,650
Realized gains on sale of investments	(27,089)	(139,210)
Unrealized (gains) losses on investments	(192,157)	844,566
Change in beneficial interest in perpetual trust	(180,271)	289,867
Paycheck Protection Program	-	(459,500)
Interest expense - finance leases	374	-
Amortization of operating lease expense	193,450	-
Amortization of right-of-use assets - finance leases	4,393	-
(Increase) decrease in assets:		
Contribution receivable	(18,850)	(9,000)
Government and other contracts receivable	780,899	(600,747)
Prepaid expenses and other assets	13,824	(32,616)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(4,469)	196,163
Deferred revenue	(358,243)	388,508
Deferred rent payable	(2,448)	12,204
Operating lease liabilities	(191,779)	-
Net Cash Provided by Operating Activities	440,904	(350,030)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	860,621	726,727
Purchase of investments	(551,920)	(50,100)
Purchase of fixed assets	(22,627)	(138,536)
Net Cash Provided by Investing Activities	286,074	538,091
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on capital leases payable	-	(5,704)
Principal payments on finance lease liabilities	(4,611)	-
Net Cash Used in Financing Activities	(4,611)	(5,704)
NET CHANGE IN CASH	722,367	182,357
CASH, BEGINNING OF YEAR	495,746	313,389
CASH, END OF YEAR	$ 1,218,113	$ 495,746
NONCASH FINANCING TRANSACTION:		
Paycheck Protection Program loan forgiveness	$ -	$ 459,500
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Right-of-use asset acquired under operating lease	$ 2,658	$ -
Right-of-use asset acquired under finance lease	$ 877,730	$ -

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

Adoption of ASU No. 2016-02

As of July 1, 2022, the YW-NYC adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)* ("ASC 842"). This ASU requires all lessees to recognize a right-of-use asset for the underlying leased asset and a lease liability for the corresponding lease liability for all lease agreements with a term greater than 12 months, initially measured at the present value of the lease payments. It also requires that initial direct costs (incremental costs of a lease that would not have been incurred if the lease had not been obtained) be assessed and added to the right-of-use asset and be included in its subsequent amortization.

In accordance with ASC 842, the modified retrospective method was applied to all lease agreements in effect at July 1, 2022. Under the modified retrospective method, the cumulative effect of applying ASC 842 is recognized at the date of initial application. There was no cumulative effect of initially applying the policy as of the date of application.

As of July 1, 2022 (the implementation date of ASC 842), right-of-use assets and the corresponding lease liabilities were recognized based on the present value of lease payments as of the application date over the remaining life of the lease term. Thereafter, right-of-use assets and the corresponding lease liabilities will be recognized as of the lease commencement date based on the present value of lease payments over the life of the lease term. To determine the present value of lease payments, the YW-NYC must use the rate implicit in the lease if it is readily determinable; otherwise, the YW-NYC may use either (a) a borrowing rate based on similar debt or (b) the practical expedient option provided by ASC 842, which allows an entity to use a risk-free rate for each class of underlying asset for a period comparable to the lease term to discount the lease payments to present value. The YW-NYC considers the lease term to be the non-cancellable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease, if the YW-NYC is reasonably certain to exercise the option, (2) terminate the lease, if the YW-NYC is reasonably certain not to exercise that option, and (3) extend or not to terminate the lease, in which exercise of the option is controlled by the lessor. The YW-NYC has elected to use the practical expedient provided by ASC 842 to determine the present value of its lease payments. The YW-NYC's right-of-use assets and lease liabilities relate to office space and copiers.

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

Adoption of ASU No. 2016-02 (cont'd.)

The YW-NYC has also utilized the following practical expedients:

- Short-term leases – for leases that are for a period of 12 months or less, the YW-NYC will not apply the recognition requirements of ASC 842.
- For leases that contain related non-lease components, such as maintenance, the YW-NYC will account for these payments as a single lease component.

In addition, the YW-NYC has utilized transitional practical expedients as follows:

- As of July 1, 2022, the YW-NYC has not reassessed –
  - Whether any expired or existing contracts are or contain leases;
  - The lease classification for any expired or existing leases; and
  - Initial direct costs related to any expired or existing leases.

Leases are classified as either finance or operating leases. For operating leases, the lease liability is initially and subsequently measured at the present value of the future payments at the lease commencement date. For finance leases, the lease liability is initially measured in the same manner and is subsequently measured similar to financed purchases, with interest expense recorded in connection with the lease liability. The classification between operating and finance leases determines whether lease expenses are recognized based on an effective interest method or on a straight-line basis, respectively, over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred and less any incentives received. Right-of-use assets under finance leases are amortized on a straight-line basis over the lease term. Right-of-use assets for operating and finance leases are periodically reduced by impairment losses.

The YW-NYC monitors for events or changes that could require a reassessment of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment will be made to the carrying amount of the corresponding right-of-use asset unless doing so would reduce the carrying amount of the right-of-use asset to an amount less than zero.

Operating lease right-of-use assets are presented as "Operating lease right-of-use assets" on the statement of financial position. The current portion of the operating lease liabilities is included as "Current portion of operating lease liabilities" in current liabilities, and the long-term portion is presented separately as "Operating lease liabilities, less current portion" in long-term liabilities.

Finance lease right-of-use assets are presented separately as "Finance lease right-of-use assets" on the statement of financial position. The current portion of the finance lease liabilities is included as "Current portion of finance lease liabilities" in current liabilities, and the long-term portion is presented separately as "Finance lease liabilities, less current portion" in long-term liabilities.

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

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.

The three levels of the fair value hierarchy under 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, 2023 and 2022 in accordance with FASB ASC Topic 820.

Investments

Investments are reported at fair value, with gains and losses included in the accompanying statements 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.

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

Investments (cont'd.)

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

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.

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

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. The organization did not receive any in-kind contributions during the years ended June 30, 2023 and 2022.

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 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.)

Contributions (cont'd.)

When donor restrictions expire, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Restricted contributions received and expended in the same fiscal year are reflected as without donor restrictions.

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, 2023 and 2022. The YW-NYC has established an allowance for doubtful accounts on contributions of $115,000 and $5,000, respectively, for the years ending June 30, 2023 and 2022.

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.

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.

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 2020.

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

Reclassifications

Certain numbers in the 2022 financial statements have been reclassified to conform to the 2023 presentation.

New Accounting Pronouncements

ASU No. 2016-13

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of credit Losses on Financial Instruments.* This ASU modifies the measurement of expected credit losses on certain financial instruments and broadens the information that an entity must consider in developing its expected credit loss estimate to include such factors as current market conditions. Under current guidance, recognition of the full amount of credit losses generally is delayed until the loss is probable of occurring.

The amendments in ASU No. 2016-13 are effective for nonpublic entities for fiscal years beginning after December 15, 2022, and interim periods within that year, based on the update in ASU No. 2019-10 to defer the implementation date. The amendments in this ASU may be early adopted.

Note 3 - Investments

Investments are reported at fair value and are comprised of the following as of June 30, 2023 and 2022:

	2023		2022	
	Fair Value	Cost	Fair Value	Cost
Cash and cash equivalents	$ 155,555	$ 155,555	$ 69,317	$ 69,317
Exchange traded funds - equity based	2,206,707	1,792,011	2,158,573	1,957,377
Exchange traded funds - fixed income based	719,786	864,010	253,424	275,310
Mutual funds - fixed income based	859,885	1,004,451	1,550,074	1,803,104
	$ 3,941,933	$ 3,816,027	$4,031,388	$ 4,105,108

Note 3 - Investments (cont'd.)

Investment returns for the years ended June 30, 2023 and 2022 are calculated as follows:

	2023	2022
Interest and dividends from investments	$ 193	$ 138
Realized gains on sale of investments, net	15,925	139,210
Unrealized gains (losses) on investments	192,157	(844,566)
Total investment income (loss)	$ 208,275	$ (705,218)
Investment return designated for operations	$ 400,000	$ 780,000
Investment return in excess of amounts designated for current operations	(191,725)	(1,485,218)
	$ 208,275	$ (705,218)

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, 2023 and 2022.

Cash and cash equivalents are categorized as Level 1 and are valued using quoted prices for identical assets in active markets.

Exchange traded funds - equity and fixed income-based funds are valued at the daily closing price as reported by the fund. The exchange traded funds are deemed to be actively traded.

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

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

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 tables present the YW-NYC's assets that are measured at fair value on a recurring basis at June 30, 2023 and 2022:

	2023			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 155,555	$ 155,555	$ -	$ -
Exchange traded funds - equity based	2,206,707	2,206,707	-	-
Exchange traded funds - fixed income based	719,786	719,786	-	-
Mutual funds - fixed income based	859,885	859,885	-	-
	3,941,933	3,941,933	-	-
Beneficial interest in perpetual trust	1,475,135	-	-	1,475,135
	$ 5,417,068	$ 3,941,933	$ -	$ 1,475,135

	2022			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 69,317	$ 69,317	$ -	$ -
Exchange traded funds - equity based	2,158,573	2,158,573	-	-
Exchange traded funds - fixed income based	253,424	253,424	-	-
Mutual funds - fixed income based	1,550,074	1,550,074	-	-
	4,031,388	4,031,388	-	-
Beneficial interest in perpetual trust	1,294,864	-	-	1,294,864
	$ 5,326,252	$ 4,031,388	$ -	$ 1,294,864

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

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

	2023	2022
Balance, beginning of year	$1,294,864	$1,584,731
Unrealized gain (loss)	180,271	(289,867)
Balance, end of year	$1,475,135	$1,294,864

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 12.50% of the corpus to the YW-NYC at June 30, 2023. The share of the corpus was 11.11% at June 30, 2022. 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 6.93% at June 30, 2023 and 2.97% at June 30, 2022) and is collateralized by the investment accounts of the YW-NYC. At June 30, 2023 and 2022, the YW-NYC had no outstanding balance on the line of credit. Interest expense for the years ended June 30, 2023 and 2022 was $0.

Note 8 - Fixed Assets

Fixed assets, net consist of the following:

	2023	2022
Equipment and software	$ 413,860	$ 415,154
Furniture	50,184	50,184
	464,044	465,338
Less: Accumulated depreciation	238,328	190,736
	$ 225,716	$ 274,602

Depreciation expense was $71,513 and $58,650 for the years ended June 30, 2023 and 2022, 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. In September 2021, the YW-NYC applied for and was granted forgiveness for the full amount. As a result, the amount has been recorded as a contribution on the statement of activities for the year ended June 30, 2022.

Note 10 - Leases

The YW-NYC's right-of-use asset and liability relates to office space in New York, New York. The lease term is for 8 years beginning in June 2019, with a monthly payment of $14,075 for the term of the lease which expires May 2027. The YW-NYC also has three equipment finance leases with monthly payments of $189 to $495. The finance leases expire from September 2023 through March 2029.

Lease components in the YW-NYC's leases are accounted for following the guidance in ASC 842 for the capitalization of long-term leases. At June 30, 2023, the lease liability is equal to the present value of the remaining lease payments, discounted using the U.S. Treasury rate constant maturity at each lease commencement date.

Lease activity for the year ended June 30, 2023 was as follows:

Lease cost:		
Finance lease cost:		
Amortization of right-of-use assets	$	4,393
Interest on lease liabilities		374
Operating lease cost		193,450
Total lease cost	$	198,217
Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Financing cash flows from finance leases	$	4,611
Operating cash flows from operating leases	$	191,779
Weighted-average remaining lease term - finance leases		5 years
Weighted-average remaining lease term - operating leases		4 years
Weighted-average discount rate - finance leases		3.95%
Weighted-average discount rate - operating leases		0.26%

Note 10 - Leases (cont'd.)

The annual minimum lease payments under the noncancellable lease, including fixed rate escalations, on the Association's lease liabilities as of June 30, 2023 are as follows:

Years Ending June 30:	Operating Leases	Finance Leases
2024	$ 197,002	$ 5,508
2025	202,399	5,508
2026	207,907	5,508
2027	195,320	5,508
2028	-	1,296
Thereafter	-	3,672
Total minimum lease payments	802,628	27,000
Less: Amount representing interest	47,261	2,401
Present value of future payments	$ 755,367	$ 24,599

The rent expense for the year ended June 30, 2022 was $181,246. Cash paid for rent was $179,486 for the year ended June 30, 2022.

Note 11 - 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.

Note 11 - Endowment Fund (cont'd.)

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

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.

Note 11 - Endowment Fund (cont'd.)

Return Objectives, Strategies Employed and Spending Policy (cont'd.)

The following is a reconciliation of the activity in the donor-restricted endowment funds for the years ended June 30, 2023 and 2022:

	Accumulated Unspent Earnings	Original Donor Gifts	Total
Balance, July 1, 2021	$ 816,146	$ 542,984	$ 1,359,130
Investment loss, net	(151,211)	-	(151,211)
Balance, June 30, 2022	664,935	542,984	1,207,919
Investment gain, net	100,595	-	100,595
Balance, June 30, 2023	$ 765,530	$ 542,984	$ 1,308,514

Note 12 - 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, 2023:

	Beginning Balance	Additions	Releases	Ending Balance
Restricted Legacy	$ 30,016	$ -	$ -	$ 30,016
Youth Services	38,378	32,500	(20,021)	50,857
Girls Initiatives	51,875	270,000	(224,944)	96,931
Restricted for specific purpose	120,269	302,500	(244,965)	177,804
Restricted in perpetuity - endowment	1,207,919	100,595	-	1,308,514
	$ 1,328,188	$ 403,095	$ (244,965)	$ 1,486,318

Note 12 - Net Assets with Donor Restrictions and Net Assets Released from Restrictions (cont'd.)

The following is a summary of the net assets that were added and released from donor restrictions during the year ended June 30, 2022:

	Beginning Balance	Additions	Releases	Ending Balance
Restricted Legacy	$ 30,016	$ -	$ -	$ 30,016
Youth Services	38,504	27,500	(27,626)	38,378
Girls Initiatives	-	192,500	(140,625)	51,875
Restricted for specific purpose	68,520	220,000	(168,251)	120,269
Restricted in perpetuity - endowment	1,359,130	(151,211)	-	1,207,919
	$ 1,427,650	$ 68,789	$ (168,251)	$ 1,328,188

Note 13 - 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 year ended June 30, 2023, 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 2023 is for the plan's year-end at December 31, 2022.

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.

Note 13 - Retirement Plans (cont'd.)

The "FIP/RP Status Pending/Implemented" column indicates if 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, due to the change over of an upper level management person, there was a reduction in required contributions to the plan for 2023.

Pension Fund	EIN/ Pension Plan Number	Pension Protection Act Zone Status	FIP/RP Status Pending/ Implemented	Contributions for the Year Ended June 30, 2023	Contributions for the Year Ended June 30, 2022	Surcharge Imposed	Expiration Date of Collective - Bargaining Agreement
YWCA Retirement Fund, Inc.	13-1624231	Green	N/A	$ 18,149	$ 21,367	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 14 - Commitments and Contingencies

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, 2023 and 2022, 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.

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.

	2023	2022
Cash	$ 1,218,113	$ 495,746
Investments	3,941,933	4,031,388
Contribution receivable, net	30,250	11,400
Government and other contracts receivable, net	1,247,146	2,161,619
Total financial assets	6,437,442	6,700,153
Less: Donor restrictions for specific purposes:		
Restricted for specific purpose	177,804	120,269
Restricted in perpetuity - endowment	1,308,514	1,207,919
Financial assets available to meet cash needs for general expenditures within one year	$ 4,951,124	$ 5,371,965

Note 16 - Subsequent Events

The YW-NYC has evaluated all events or transactions that occurred after June 30, 2023 through December 20, 2023, which is the date that the financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.