

NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION

FINANCIAL STATEMENTS
with
INDEPENDENT AUDITORS' REPORT
YEARS ENDED JUNE 30, 2013 AND 2012

NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION

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KLINGHER NADLER LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Board of Directors
National Council of Jewish Women, New York Section

We have audited the accompanying statements of financial position of National Council of Jewish Women, New York Section, a nonprofit organization (the "Council"), as of June 30, 2013 and 2012, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Council of Jewish Women, New York Section as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.


KLINGHER NADLER LLP

Englewood Cliffs, New Jersey
November 6, 2013

NATIONAL COUNCIL OF JEWISH WOMEN, NEW YORK SECTION

STATEMENTS OF FINANCIAL POSITION

ASSETS

	June 30,	
	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	\$851,363	\$1,301,350
Investments	2,905,375	2,927,787
Inventory	36,478	37,463
Contributions receivable	6,800	3,550
Prepaid expenses and other assets	76,107	65,740
Property and equipment, net	<u>1,933,614</u>	<u>1,664,093</u>
 TOTAL	 <u>\$5,809,737</u>	 <u>\$5,999,983</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$54,581	\$71,811
Taxes other than income taxes	3,981	5,576
Security deposits payable	7,750	7,750
Deferred income	<u>27,848</u>	<u>5,337</u>

Total Liabilities

<u>94,160</u>	<u>90,474</u>
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NET ASSETS

Unrestricted	5,239,597	5,419,765
Temporarily restricted	225,980	239,744
Permanently restricted	<u>250,000</u>	<u>250,000</u>

Total Net Assets

<u>5,715,577</u>	<u>5,909,509</u>
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TOTAL

<u>\$5,809,737</u>	<u>\$5,999,983</u>
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NATIONAL COUNCIL OF JEWISH WOMEN, NEW YORK SECTION

STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2013			Year Ended June 30, 2012	
	Unrestricted	Temporarily Restricted	Permanently Restricted		Total
PUBLIC SUPPORT AND REVENUE					
Contributions from individuals and corporations	\$308,580	\$5,882		\$314,462	\$327,085
Contributions for capital improvement fund	6,976			6,976	25,000
Donated goods and office space	437,741			437,741	449,555
Donated services	211,513			211,513	220,343
Legacies and bequests	63,400			63,400	66,000
Special events	414,180			414,180	379,470
Thrift shop sales	437,741			437,741	449,555
Grants	47,209			47,209	41,513
Membership dues	45,088			45,088	47,690
Program fees	1,367			1,367	5,457
Council Senior Center program fees:	64,979			64,979	58,477
Investment income (loss):					
Interest and dividend income	77,851	6,194		84,045	37,137
Realized and unrealized capital gains(losses)	10,293			10,293	8,721
Rental income	56,180			56,180	59,220
Gain on sale of building	-			-	2,104,906
	<u>2,183,098</u>	<u>12,076</u>	<u>-</u>	<u>2,195,174</u>	<u>4,280,129</u>
Net Assets Released From Restrictions	<u>25,840</u>	<u>(25,840)</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>2,208,938</u>	<u>(13,764)</u>	<u>-</u>	<u>2,195,174</u>	<u>4,280,129</u>
EXPENSES					
Program Services					
Children's Programs	133,931			133,931	132,530
Council Lifetime Learning	310,286			310,286	401,324
Resources for Women	156,129			156,129	138,557
Community Services	258,257			258,257	217,689
Hunger programs	292,750			292,750	273,212
Thrift Shop	775,894			775,894	771,325
National Program Support	86,000			86,000	184,438
Total Program Services Expenses	<u>2,013,247</u>	<u>-</u>	<u>-</u>	<u>2,013,247</u>	<u>2,119,075</u>
Supporting Services					
Management and general	253,761			253,761	225,493
Fund-raising	122,098			122,098	154,687
Total Supporting Services Expenses	<u>375,859</u>	<u>-</u>	<u>-</u>	<u>375,859</u>	<u>380,180</u>
TOTAL EXPENSES	<u>2,389,106</u>	<u>-</u>	<u>-</u>	<u>2,389,106</u>	<u>2,499,255</u>
CHANGE IN NET ASSETS	<u>(180,168)</u>	<u>(13,764)</u>	<u>-</u>	<u>(193,932)</u>	<u>1,780,874</u>
NET ASSETS AT BEGINNING OF YEAR	<u>5,419,765</u>	<u>239,744</u>	<u>250,000</u>	<u>5,909,509</u>	<u>4,128,572</u>
NET ASSETS AT END OF YEAR	<u>\$5,239,597</u>	<u>\$225,980</u>	<u>\$250,000</u>	<u>\$5,715,577</u>	<u>\$5,909,446</u>

NATIONAL COUNCIL OF JEWISH WOMEN, NEW YORK SECTION
STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended June 30, 2013

	PROGRAM SERVICES										SUPPORTING SERVICES		
	Children's Programs	Council Lifetime Learning	Resources For Women	Community Services	Hunger Programs	Thrift Shop	National Program Support	Management And General		Fund-raising	Total	2013	2012
								Total					
Salaries and wages	\$27,929	\$114,428	\$61,293	\$73,475	\$80,999	\$133,191	-	\$118,063	\$28,323	\$146,386	\$637,701	\$622,517	
Payroll taxes	4,803	13,386	5,897	11,776	6,933	10,149	-	10,963	1,895	12,858	65,802	58,762	
Employee health and pension benefits	3,799	31,303	5,833	5,066	4,642	17,520	-	6,104	3,502	9,606	77,769	67,981	
	36,531	159,117	73,023	90,317	92,574	160,860	-	135,130	33,720	168,850	781,272	749,260	
Support to National Organization's programs	-	-	-	-	-	-	\$86,000	-	-	-	86,000	184,438	
Donated services	31,973	50,750	16,059	32,857	34,967	21,750	-	19,532	3,625	23,157	211,513	220,343	
Cost of goods sold	-	-	-	-	-	438,726	-	-	-	-	438,726	445,792	
Professional fees	-	-	9,000	-	-	-	-	48,995	-	48,995	57,995	112,557	
Printing and office supplies	7,172	2,558	5,332	9,284	10,435	14,021	-	13,289	2,310	15,599	64,401	48,476	
Office expenses	5,735	3,658	9,101	12,093	7,658	-	-	-	-	-	38,245	46,987	
Investment advisory fees	-	-	-	3,793	2,276	3,030	-	18,811	-	-	18,811	9,959	
Telephone	2,276	1,138	2,276	4,043	2,426	385	-	14,789	3,616	3,616	14,789	11,702	
Postage and shipping	2,426	1,213	2,806	4,043	2,426	385	-	16,915	-	-	16,915	15,129	
Occupancy	24,794	12,397	24,794	41,324	24,794	118,606	-	246,709	-	-	246,709	251,851	
Client activities	1,219	57,534	436	12,266	96,517	16,733	-	184,705	-	-	184,705	187,710	
Special events	12,027	4,579	323	9,354	13,011	900	-	14,256	73,769	73,769	88,025	83,197	
Repairs and maintenance	-	7,883	12,027	32,429	-	-	-	1,929	-	1,929	80,206	81,025	
Printing and publication	6,000	-	-	76	-	-	-	6,076	298	298	6,374	7,000	
Awards, grants, scholarships and financial aid	-	200	-	-	-	-	-	493	-	493	693	196	
Subscriptions and affiliations	-	-	-	425	-	-	-	861	-	861	2,423	7,815	
Miscellaneous	922	215	-	-	-	-	-	1,562	-	-	-	-	
Total Expenses Before Depreciation	131,075	301,242	155,177	248,261	284,658	775,011	86,000	239,040	117,338	356,378	2,337,802	2,463,237	
Depreciation	2,856	9,044	952	9,996	8,092	883	-	14,721	4,760	19,481	51,304	36,018	
TOTAL	\$133,931	\$310,286	\$156,129	\$258,257	\$292,750	\$775,894	\$86,000	\$253,761	\$122,098	\$375,859	\$2,389,106	\$2,499,255	

NATIONAL COUNCIL OF JEWISH WOMEN, NEW YORK SECTION

STATEMENTS OF CASH FLOWS

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	Years Ended June 30,	
	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	<u>(\$193,932)</u>	<u>\$1,780,874</u>
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	51,304	36,018
Net realized/unrealized (gains) losses on investments	10,293	8,721
Changes in:		
Inventory	985	(3,763)
Contributions receivable	(3,250)	1,850
Prepaid expenses and other assets	(10,367)	583,424
Accounts payable	(17,230)	(23,941)
Taxes other than income taxes	(1,595)	3,124
Security deposits payable	-	250
Deferred income	<u>22,511</u>	<u>(13,564)</u>
Total adjustments	<u>52,651</u>	<u>592,119</u>
Net cash used in operating activities	<u>(141,281)</u>	<u>2,372,993</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale of investments, net	12,119	(2,210,009)
Sale of property and equipment	-	1,049,438
Purchases of property and equipment	<u>(320,825)</u>	<u>-</u>
Net cash provided by investing activities	<u>(308,706)</u>	<u>(1,160,571)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(449,987)	1,212,422
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>1,301,350</u>	<u>88,928</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$851,363</u></u>	<u><u>\$1,301,350</u></u>
SUPPLEMENTARY INFORMATION		
Noncash donations of goods and services	<u><u>\$649,254</u></u>	<u><u>\$669,898</u></u>

NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 1 - NATURE OF ORGANIZATION

The National Council of Jewish Women, New York Section (the "Council") was formed in 1894 to provide community services that improve the quality of life for children, families, women and the elderly, and to ensure individual rights and freedoms for all, through community service, education and advocacy.

The Council is exempt from Federal income taxes under Section 501(c)(3) of the U. S. Internal Revenue Code, and from state and local taxes under comparable laws. The Council is funded primarily by contributions from the general public and special events, along with sales from its thrift shop.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

Accrual Basis Financial Statements

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

Functional Allocation of Expenses

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For financial statement presentation purposes, highly liquid investments with original maturities of three months or less at the date of acquisition are considered to be cash equivalents.

Net Assets

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

(a) Unrestricted:

Unrestricted net assets represent those resources for which there are no donor restrictions as to their use and includes designations by the Board of Directors for program expansion, anticipated program deficits and capital improvements.

(b) Temporarily Restricted:

Temporarily restricted net assets represent those resources which have been restricted by donors for specific purpose uses. Net assets released from restrictions represent the satisfaction of the restricted purposes specified by the donor.

(c) Permanently Restricted:

Permanently restricted net assets represent those resources which have been permanently restricted by donors for specific purpose uses.

Investments

Investments are stated at fair value based upon quoted market prices. Investment securities, in general, are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based on the markets' fluctuations, and that such changes could materially affect the amounts reported in the statement of financial position.

NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions Receivable

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

Contributions

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

In-Kind Contributions

The value of in-kind contributions is reported at fair value as of the date that the contributions are received.

Functional Allocation of Expenses

The costs of providing the Council's services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Lease Accounting

The Council's method of accounting for rent expense under operating leases is in conformance with accounting policies generally accepted in the United States of America. For material leases that contain predetermined fixed escalations of the minimum rent, the Council recognizes the related rent expense on the straight-line basis and includes the impact of escalating rents for periods in which it is reasonably assured of exercising lease options.

NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements

ASC 820, *Fair Measurements and Disclosures*, establishes a framework for measuring fair value. The framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below. Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Council has the ability to access. Level 2 inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full terms of the asset or liability. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2013 as compared to the prior year.

Cash and money market funds – Valued at the closing price reported on the active market on which the individual securities are traded.

Equities – Value at the net asset value (“NAV”) of shares held at year end.

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

**NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

There are no level 2 or 3 investments held by the Council as of June 30, 2013.

The following table sets forth all Level 1 assets at fair value as of June 30,

<u>Assets</u>	<u>2013</u>	<u>2012</u>
U.S. Government obligations	\$1,285,662	\$1,727,271
Corporate Bond	966,372	713,479
Equities – large cap	<u>653,341</u>	<u>487,037</u>
	<u>\$2,905,375</u>	<u>\$2,927,787</u>

Inventory

Inventory consists of articles of merchandise and is valued at the lower of cost or market value at fiscal year-end. The thrift shop inventory has been donated to the Council, and its value has been based on actual sales of similar inventory items.

Property and Equipment

Property and equipment are stated at their costs at the dates of acquisition or at their fair market values at the dates of donation. Property and equipment costing in excess of \$500 with a useful life of greater than one year are capitalized. Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. Building and building improvements are depreciated over 10 to 40 years, and furniture and equipment are depreciated over 3 to 10 years.

Revenue Recognition

Contributions are recorded as revenue upon the receipt of the earlier of receiving cash (or other assets) or unconditional promises to give.

The Council receives dues from its members. Amounts received in advance for a future year's membership are deferred until that year.

Sales revenue is recognized upon the sale of the thrift shop's inventory.

Uncertainty in Income Taxes

The Council has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. Periods ending June 30, 2010 and subsequent remain subject to examination by applicable taxing authorities.

**NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unrecorded Bequests

The Council has been bequeathed a portion of several estates. As of June 30, 2013, the amounts to be received by the Council were indeterminable, pending finalization of certain legal and estate matters. In view of the uncertainty of the amounts to be received, the Council has not yet recognized outstanding bequests in its financial statements. Accordingly, the financial statements will not include these bequests until the actual amounts to be received can be determined with reasonable certainty or they are received in cash.

Comparative Financial Statements Information

The financial statements on pages three and four include certain prior-year summarized comparative information in total but not by net assets class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended June 30, 2012 from which the summarized information was derived.

Subsequent Events

Subsequent events have been evaluated through November 6, 2013, which is the date the financial statements were available to be issued.

NOTE 3 - INVESTMENTS

Investments consist of the following:

	Years Ended June 30,			
	2013		2012	
	Fair Value	Cost	Fair Value	Cost
U.S. Government obligations	\$ 1,285,662	\$1,299,218	\$1,727,271	\$1,719,040
Corporate bonds	966,372	976,900	713,479	711,654
Equities – large cap	653,341	574,748	487,037	486,234
	<u>\$2,905,375</u>	<u>\$2,850,866</u>	<u>\$2,927,787</u>	<u>\$2,916,928</u>

Investment income for each year is as follows:

	Years Ended June 30,					
	2013			2012		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Dividend and interest income	\$ 77,851	\$ 6,194	\$ 84,045	\$ 31,225	\$ 6,022	\$ 37,127
Net realized gains (losses)	2,258	411	2,668	(1,792)	(347)	(2,139)
Net unrealized gains (losses)	6,452	1,173	7,625	9,099	1,761	10,860
Total investment income	<u>\$ 86,561</u>	<u>\$ 7,778</u>	<u>\$ 94,338</u>	<u>\$ 38,422</u>	<u>\$ 7,436</u>	<u>\$ 45,858</u>

NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 3 - INVESTMENTS (Continued)

For the fiscal years ended June 30, 2013 and 2012 investment advisory fees, recorded as management and general expenses were \$18,811 and \$ 9,959 respectively.

NOTE 4 - CONTRIBUTIONS RECEIVABLE

Contributions granted to the Council as of June 30, 2013, which have not yet been collected as of that date, have been recorded as contributions receivable. Management expects all receivables to be collected. Based on prior years' results, no allowance for doubtful accounts has been provided. All receivables, totaling \$6,800 are due by June 30, 2014.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	June 30,	
	2013	2012
Land	\$ 63,000	\$ 63,000
Building and improvements	2,378,389	2,064,076
Leasehold improvements	51,593	49,368
Furniture and equipment	120,280	116,054
	2,613,262	2,393,498
Less: Accumulated depreciation	679,648	628,405
	<u>\$ 1,933,614</u>	<u>\$ 1,664,093</u>

Depreciation expense was \$51,304 and \$36,018 in 2013 and 2012 respectively.

NOTE 6 - PENSION PLAN

The Council sponsors a defined contribution pension plan covering all employees who meet specific eligibility requirements. The Council contributes to the plan for each participant an amount equal to three percent of the participant's compensation, provided the participant contributes at least two and one-half percent of his or her compensation. Both the participant's and employer's contributions are fully vested at all times. For the fiscal years ended June 30, 2013 and 2012, pension expense was \$6,652 and \$3,537 respectively.

**NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 7 - LEASE COMMITMENT

The Council has a lease for its thrift shop expiring December 31, 2017. The Council has an option to terminate the lease after two years with a termination fee of \$18,566. The approximate annual rental commitment is as follows:

<u>Years Ending June 30,</u>	
2014	\$ 119,400
2015	119,400
2016	131,148
2017	131,148
2018	<u>66,612</u>
	<u>\$ 567,708</u>

Rent expense for the thrift shop (including utilities and taxes) for the fiscal years ended June 30, 2013 and 2012 was approximately \$108,000 and \$106,000 respectively.

NOTE 8 - DONATED SERVICES AND MATERIALS

Certain unpaid volunteers have made significant contributions of their time to the Council. These contributed services, reported at the estimated value of equivalent compensation, are included in the accompanying statements of activities, because they meet the following criteria:

- The services received either create or enhance nonfinancial assets, or
- The services received require specialized skills provided by individuals possessing those skills, and would typically need to be purchased if not provided by the volunteers' contribution.

In addition, the Council estimates the value of inventory items contributed to its thrift shop based on actual sales of similar items.

For each fiscal year, the fair value of noncash donations is recorded as follows:

	<u>Years Ended June 30,</u>	
	<u>2013</u>	<u>2012</u>
Donated goods	\$ 437,741	\$ 449,555
Donated services	<u>211,513</u>	<u>220,343</u>
	<u>\$ 649,254</u>	<u>\$ 669,898</u>

**NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 9 - CONCENTRATIONS

Financial instruments which potentially subject the organization to a concentration of credit risk are cash accounts with a major financial institution in New York City in excess of FDIC insurance limits. Management believes that credit risk related to these accounts is minimal.

NOTE 10 - RESTRICTED NET ASSETS

Restricted net assets at each fiscal year end consists of temporarily and permanently amounts that were available for the following activities:

	<u>June 30, 2013</u>		<u>June 30, 2012</u>	
	<u>Temporarily</u>	<u>Permanently</u>	<u>Temporarily</u>	<u>Permanently</u>
Children's Services	\$ 36,255	\$ -	\$ 39,548	\$ -
Jewish Women's Resource Center	18,039	200,000	18,933	200,000
Pregnancy Loss Support Program	-	50,000	-	50,000
Scholarships	138,415	-	146,453	-
Council Lifetime Learning	26,111	-	25,749	-
Support Groups	<u>7,160</u>	<u>-</u>	<u>9,061</u>	<u>-</u>
	<u>\$ 225,980</u>	<u>\$ 250,000</u>	<u>\$ 239,744</u>	<u>\$ 250,000</u>

Net assets released from temporary restrictions during each fiscal year consisted of the following:

	<u>Years Ended June 30,</u>	
	<u>2013</u>	<u>2012</u>
Children's Services	\$ 9,390	\$ 10,565
Jewish Women's Resource Center	436	7,000
Council Lifetime Learning	6,014	9,568
Support Groups	<u>-</u>	<u>144</u>
	<u>\$ 25,840</u>	<u>\$ 27,307</u>

NATIONAL COUNCIL OF JEWISH WOMEN,
NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2013 AND 2012

NOTE 11 - SUBSEQUENT EVENTS

A real estate broker commenced a lawsuit against the Council relating to payment of a real estate commission pertaining to the August 30, 2011 sale of one of Council's buildings. There was a settlement agreement entered into on September 26, 2013 whereby the Council's insurance company and another real estate broker paid the commission the lawsuit was initiated for. There was no liability due from Council.

A member of Council was injured June 20, 2013 while at Council attending an activity. A subsequent action was brought against Council on August 16, 2013 relating to this injury. The member is back attending activities at Council. Depositions have not yet commenced. Council's insurance company cannot at this time quantify the amount of the claim, but believes that Council's insurance coverage is sufficient to cover any potential damages that may be due.