

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

FINANCIAL STATEMENTS
with
INDEPENDENT AUDITORS' REPORT
YEARS ENDED JUNE 30, 2014 AND 2013

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

Report on the Financial Statements

We have audited the accompanying financial statements of National Council of Jewish Women New York Section, which comprise the statements of financial position as of June 30, 2014 and 2013 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.

Auditor's 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 account 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.

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, 2014 and the changes in its net assets and its cash flows for the year then ended in accordance with principles generally accepted in the United States of America.


KLINGHER NADLER LLP

Englewood Cliffs, New Jersey
November 18, 2014

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

STATEMENTS OF FINANCIAL POSITION

ASSETS

	June 30,	
	<u>2014</u>	<u>2013</u>
Cash and cash equivalents	\$461,936	\$851,363
Investments	3,268,769	2,905,375
Contributions receivable	19,730	6,800
Inventory	37,413	36,478
Prepaid expenses and other assets	64,341	76,107
Property and equipment, net	<u>1,873,387</u>	<u>1,933,614</u>
 TOTAL	 <u><u>\$5,725,576</u></u>	 <u><u>\$5,809,737</u></u>

LIABILITIES AND NET ASSETS

<u>LIABILITIES</u>		
Accounts payable	\$41,859	\$54,581
Taxes other than income taxes	2,782	3,981
Accrued payroll	19,286	-
Security deposits payable	7,750	7,750
Deferred income	<u>9,396</u>	<u>27,848</u>
 Total Liabilities	 <u>81,073</u>	 <u>94,160</u>
 <u>NET ASSETS</u>		
Unrestricted	5,114,491	5,239,597
Temporarily restricted	280,012	225,980
Permanently restricted	<u>250,000</u>	<u>250,000</u>
 Total Net Assets	 <u>5,644,503</u>	 <u>5,715,577</u>
 TOTAL	 <u><u>\$5,725,576</u></u>	 <u><u>\$5,809,737</u></u>

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2014			Total	Year Ended June 30, 2013
	Unrestricted	Temporarily Restricted	Permanently Restricted		
PUBLIC SUPPORT AND REVENUE					
Contributions from individuals and corporations	\$235,406	\$65,117		\$300,523	\$314,462
Contributions for capital improvement fund	-			-	6,976
Donated services	207,692			207,692	211,513
Legacies and bequests	185,435			185,435	63,400
Special events	442,753			442,753	414,180
Thrift shop sales	448,957			448,957	437,741
Less: Thrift shop operating costs	(371,885)			(371,885)	(338,153)
Grants	45,060			45,060	47,209
Membership dues	41,228			41,228	45,088
Program fees	1,176			1,176	1,367
Council Senior Center program fees	63,412			63,412	64,979
Investment income (loss):					
Interest and dividend income	55,724	17,790		73,514	84,045
Realized and unrealized capital gains(losses)	188,439			188,439	10,293
Rental income	62,169			62,169	56,180
	<u>1,605,566</u>	<u>82,907</u>	<u>-</u>	<u>1,688,473</u>	<u>1,419,280</u>
Net Assets Released From Restrictions	<u>28,875</u>	<u>(28,875)</u>		<u>-</u>	<u>-</u>
TOTAL PUBLIC SUPPORT AND REVENUE	<u>1,634,441</u>	<u>54,032</u>	<u>-</u>	<u>1,688,473</u>	<u>1,419,280</u>
EXPENSES					
Program Services					
Children's Programs	127,702			127,702	133,931
Council Lifetime Learning	345,769			345,769	310,286
Resources for Women	132,824			132,824	156,129
Community Services	285,661			285,661	258,257
Hunger programs	337,991			337,991	292,750
National Program Support	94,600			94,600	86,000
Total Program Services Expenses	<u>1,324,547</u>	<u>-</u>	<u>-</u>	<u>1,324,547</u>	<u>1,237,353</u>
Supporting Services					
Management and general	263,306			263,306	253,761
Fund-raising	171,694			171,694	122,098
Total Supporting Services Expenses	<u>435,000</u>	<u>-</u>	<u>-</u>	<u>435,000</u>	<u>375,859</u>
TOTAL EXPENSES	<u>1,759,547</u>	<u>-</u>	<u>-</u>	<u>1,759,547</u>	<u>1,613,212</u>
CHANGE IN NET ASSETS	(125,106)	54,032	-	(71,074)	(193,932)
NET ASSETS AT BEGINNING OF YEAR	<u>5,239,597</u>	<u>225,980</u>	<u>250,000</u>	<u>5,715,577</u>	<u>5,909,509</u>
NET ASSETS AT END OF YEAR	<u>\$5,114,491</u>	<u>\$280,012</u>	<u>\$250,000</u>	<u>\$5,644,503</u>	<u>\$5,715,577</u>

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

Year Ended June 30, 2014

	PROGRAM SERVICES					SUPPORTING SERVICES						
	Children's Programs	Council Lifetime Learning	Resources For Women	Community Services	Hunger Programs	National Program Support	Total	Management And General	Fund-raising	Total	Years Ended June 30, 2014	2013
Salaries and wages	\$27,026	\$112,514	\$53,526	\$93,292	\$79,199	-	\$365,557	\$111,730	\$9,102	\$120,832	\$486,389	\$504,510
Payroll taxes	3,707	16,265	3,707	9,587	7,380	-	40,646	9,720	696	10,416	51,062	55,653
Employee health and pension benefits	1,957	15,165	1,957	9,109	3,602	-	31,790	5,609	-	5,609	37,399	60,249
	32,690	143,944	59,190	111,988	90,181	-	437,993	127,059	9,798	136,857	574,850	620,412
Support to National Organization's programs	-	-	-	-	-	\$94,600	94,600	-	-	-	94,600	86,000
Donated services	26,173	50,750	17,328	34,220	34,967	-	163,438	18,879	3,625	22,504	185,942	189,763
Professional fees	10,163	10,163	19,163	10,163	15,163	-	64,815	50,426	67,879	118,305	183,120	57,995
Printing and office supplies	2,718	4,729	2,320	4,729	9,070	-	23,566	945	752	1,697	25,263	50,380
Office expense	7,498	11,073	7,276	11,022	11,540	-	48,409	10,986	2,300	13,286	61,695	38,245
Investment advisory fees	-	-	-	-	-	-	-	19,962	-	19,962	19,962	18,811
Telephone	1,498	2,728	1,088	2,728	2,728	-	10,770	355	355	710	11,480	11,759
Postage and shipping	799	1,903	437	1,903	1,903	-	6,945	-	3,364	3,364	10,309	16,530
Occupancy	19,542	33,935	14,379	34,295	34,295	-	136,446	1,396	1,396	2,792	139,238	128,103
Client activities	5,094	49,812	1,822	17,188	102,314	-	176,230	-	-	-	176,230	167,972
Special events	-	991	-	7,756	8,747	-	8,747	-	73,427	73,427	82,174	88,025
Repairs and maintenance	10,748	18,810	8,061	31,194	20,843	-	89,656	4,338	-	4,338	93,994	79,306
Awards, grants, scholarships and financial aid	5,500	-	-	-	-	-	5,500	-	-	-	5,500	6,374
Subscriptions and affiliations	-	200	-	-	-	-	200	1,814	-	1,814	2,014	693
Miscellaneous	-	15	-	-	31	-	46	5,151	-	5,151	5,197	2,423
Total Expenses Before Depreciation	122,423	329,053	131,064	267,186	323,035	94,600	1,267,361	241,311	162,896	404,207	1,671,568	1,562,791
Depreciation	5,279	16,716	1,760	18,475	14,956	-	57,186	21,995	8,798	30,793	87,979	50,421
TOTAL	\$127,702	\$345,769	\$132,824	\$285,661	\$337,991	\$94,600	\$1,324,547	\$263,306	\$171,694	\$435,000	\$1,759,547	\$1,613,212

See independent auditors' report and notes to financial statements

KLINGHER NADLER LLP

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

STATEMENTS OF CASH FLOWS

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

	Years Ended June 30,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	(\$71,074)	(\$193,932)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	89,341	51,304
Net realized/unrealized (gains) losses on investments	188,439	10,293
Changes in:		
Contributions receivable	(12,930)	(3,250)
Inventory	(935)	985
Prepaid expenses and other assets	11,766	(10,367)
Accounts payable	6,564	(17,230)
Taxes other than income taxes	(1,199)	(1,595)
Deferred income	(18,452)	22,511
Total adjustments	262,594	52,651
Net cash used in operating activities	191,520	(141,281)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale of investments, net	(551,833)	12,119
Purchases of property and equipment	(29,114)	(320,825)
Net cash provided by investing activities	(580,947)	(308,706)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(389,427)	(449,987)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	851,363	1,301,350
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$461,936	\$851,363
SUPPLEMENTARY INFORMATION		
Noncash donations of goods and services	\$656,649	\$649,254

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2014 AND 2013**

NOTE 1 - NATURE OF ORGANIZATION

The National Council of Jewish Women New York Section (NCJW NY) is a grassroots organization of volunteers and advocates who turn progressive ideals into action. Inspired by Jewish values, NCJW strives for social justice by improving the quality of life for women, children, and families and by safeguarding individual rights and freedoms.

Since its founding in 1894, NCJW NY has been at the forefront of social change, championing the needs of society's most vulnerable citizens and taking stands on issues such as child welfare, reproductive rights, and immigration while also providing direct service to alleviate the effects of poverty and inequality. Today, 120 years later, the need for its work remains as strong as ever.

NCJW NY operates vital community services and advocacy initiatives, impacting the lives of more than 40,000 New Yorkers. Programming includes an extensive hunger program; arts and enrichment programming for older adults; support groups for caregivers and for the bereaved; arts and literacy programs for children in economically disadvantaged communities; scholarships for students with physical challenges; as well as unique conferences, film festivals, and special events. NCJW NY is also committed to vigorous and strategic advocacy on key mission-related issues, including women's equality, nutrition assistance, and sex trafficking. NCJW NY strives to serve New Yorkers from all walks of life, from all racial and religious backgrounds. All services are non-sectarian.

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 NCJW NY 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 NCJW NY'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.

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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.

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. 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.

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In-Kind Contributions

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

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 NCJW NY, 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 \$2,000 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.

Functional Allocation of Expenses

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

Lease Accounting

NCJW NY'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, NCJW NY 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.

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 NCJW NY has the ability to access.

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (continued)

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 term 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, 2014 as compared to the prior year.

Cash, money market funds, equities, exchanged traded fund– Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Funds – 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 NCJW NY 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.

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

There are no level 2 or 3 investments held by NCJW NY as of June 30, 2014 and 2013.

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

<u>Assets</u>	<u>2014</u>	<u>2013</u>
U.S. Government obligations	\$ 989,027	\$1,285,662
Corporate Bond	585,113	966,372
Equities – large cap	880,051	653,341
Mutual funds	<u>814,578</u>	<u>-</u>
	<u>\$3,268,769</u>	<u>\$2,905,375</u>

Net Assets

The net assets of NCJW NY 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.

Revenue Recognition

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

NCJW NY 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.

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Uncertainty in Income Taxes

NCJW NY has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. Periods ending June 30, 2011 and subsequent remain subject to examination by applicable taxing authorities.

Unrecorded Bequests

NCJW NY has been bequeathed a portion of several estates. As of June 30, 2014, the amounts to be received by NCJW NY were indeterminable, pending finalization of certain legal and estate matters. In view of the uncertainty of the amounts to be received, NCJW NY 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 asset 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 NCJW NY's financial statements for the year ended June 30, 2013 from which the summarized information was derived.

Subsequent Events

Subsequent events have been evaluated through November 18, 2014, which is the date the financial statements were available to be issued.

NOTE 3 - INVESTMENTS

Investments consist of the following:

	Years Ended June 30,			
	2014		2013	
	Fair Value	Cost	Fair Value	Cost
U.S. Government obligations	\$ 989,027	\$ 985,427	\$1,285,662	\$1,299,218
Corporate bonds	585,113	578,477	966,372	976,900
Equities – large cap	880,051	731,882	653,341	574,748
Mutual funds	814,578	766,017	-	-
	<u>\$3,268,769</u>	<u>\$ 3,061,803</u>	<u>\$ 2,905,375</u>	<u>\$2,850,866</u>

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 3 - INVESTMENTS (Continued)

Investment income for each year is as follows:

	Years Ended June 30,					
	2014			2013		
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Dividend and interest income	\$ 61,821	\$ 11,693	\$ 73,514	\$ 77,851	\$ 6,194	\$ 84,045
Net realized gains (losses)	36,942	6,987	43,929	2,258	411	2,668
Net unrealized gains (losses)	<u>121,524</u>	<u>22,986</u>	<u>144,510</u>	<u>6,452</u>	<u>1,173</u>	<u>7,625</u>
Total investment income	<u>\$ 220,287</u>	<u>\$ 41,666</u>	<u>\$ 261,953</u>	<u>\$ 86,561</u>	<u>\$ 7,778</u>	<u>\$ 94,338</u>

For the fiscal years ended June 30, 2014 and 2013 investment advisory fees, recorded as management and general expenses were \$19,962 and \$ 18,811 respectively.

NOTE 4 - CONTRIBUTIONS RECEIVABLE

Unconditional contributions granted to NCJW NY as of June 30, 2014, 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 \$19,730 are due by June 30, 2015 and have been collected.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	June 30,	
	<u>2014</u>	<u>2013</u>
Land	\$ 63,000	\$ 63,000
Building and improvements	2,382,377	2,378,389
Leasehold improvements	56,393	51,593
Furniture and equipment	120,280	120,280
Computer software	<u>20,325</u>	<u>-</u>
	2,642,375	2,613,262
Less: Accumulated depreciation	<u>768,988</u>	<u>679,648</u>
	<u>\$ 1,873,387</u>	<u>\$ 1,933,614</u>

Depreciation expense was \$89,341 and \$51,304 in 2014 and 2013 respectively.

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 6 - PENSION PLAN

NCJW NY sponsors a defined contribution pension plan covering all employees who meet specific eligibility requirements. NCJW NY 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, 2014 and 2013, pension expense was \$5,569 and \$6,652 respectively.

NOTE 7 - LEASE COMMITMENT

NCJW NY has a lease for its thrift shop expiring December 31, 2017. The approximate annual rental commitment is as follows:

Years Ending June 30,

2015	\$ 119,400
2016	131,148
2017	131,148
2018	<u>66,612</u>
	<u>\$ 448,308</u>

Rent expense for the thrift shop for the fiscal years ended June 30, 2014 and 2013 was approximately \$119,400 and \$108,000 respectively.

NOTE 8 - DONATED SERVICES AND MATERIALS

Certain unpaid volunteers have made significant contributions of their time to NCJW NY. 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.

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 8 - DONATED SERVICES AND MATERIALS (continued)

In addition, NCJW NY 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>2014</u>	<u>2013</u>
Donated goods	\$ 448,957	\$ 437,741
Donated services	<u>207,692</u>	<u>211,513</u>
	<u>\$ 656,649</u>	<u>\$ 649,254</u>

NOTE 9 - CONCENTRATIONS

Financial instruments that potentially subject NCJW NY 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 restricted amounts that were available for the following activities:

	<u>June 30, 2014</u>		<u>June 30, 2013</u>	
	<u>Temporarily</u>	<u>Permanently</u>	<u>Temporarily</u>	<u>Permanently</u>
Children's Services	\$ 31,776	\$ -	\$ 36,255	\$ -
Jewish Women's Resource Center	17,212	200,000	18,039	200,000
Pregnancy Loss Support Program	-	50,000	-	50,000
Scholarships	141,684	-	138,415	-
Council Lifetime Learning	34,304	-	26,111	-
Support Groups	<u>55,036</u>	<u>-</u>	<u>7,160</u>	<u>-</u>
	<u>\$ 280,012</u>	<u>\$ 250,000</u>	<u>\$ 225,980</u>	<u>\$ 250,000</u>

NATIONAL COUNCIL OF JEWISH WOMEN NEW YORK SECTION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

NOTE 10 - RESTRICTED NET ASSETS (continued)

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

	<u>Years Ended June 30,</u>	
	<u>2014</u>	<u>2013</u>
Children's Services	\$ 13,426	\$ 9,390
Jewish Women's Resource Center	1,345	436
Council Lifetime Learning	13,882	6,014
Support Groups	<u>222</u>	<u>-</u>
	<u>\$ 28,875</u>	<u>\$ 25,840</u>

NOTE 11 - SUBSEQUENT EVENTS

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

A member of NCJW NY was injured June 20, 2013 while at Council House attending an activity. A subsequent action was brought against NCJW NY on August 16, 2013 relating to this injury. The member is back attending activities at Council House. The case was settled August 21, 2014 and NCJW NY's insurance coverage sufficiently covered any settlement amount with no payment due from NCJW NY.