

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Financial Statements

Years Ended June 30, 2015 and 2014

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Financial Statements

Years Ended June 30, 2015 and 2014

C O N T E N T S

	<b>Page</b>
<b>Independent Auditor's Report</b>	1-2
<b>Financial Statements</b>	
Statements of Financial Position	3
Statements of Activities - Current Year	4
Statements of Activities - Prior Year	5
Statements of Functional Expenses - Current Year	6
Statements of Functional Expenses - Prior Year	7
Statements of Cash Flows	8
Notes to Financial Statements	9-17



## Independent Auditor's Report

Board of Directors  
National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]

### Report on the Financial Statements

We have audited the accompanying financial statements of the National Council of Jewish Women New York Section, which comprise the statement of financial position as of June 30, 2015 and 2014, 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 audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Council of Jewish Women New York Section, as of June 30, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

The financial statements of the National Council of Jewish Women New York Section, as of and for the year ended June 30, 2014, were audited by other auditors whose report dated November 18, 2014 expressed an unmodified opinion on those statements.

*SaxBST LLP*

Clifton, New Jersey  
October 16, 2015

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Statements of Financial Position

		June 30,	
		2015	2014
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		\$ 398,836	\$ 461,936
Contributions receivable		82,051	19,730
Prepaid expenses and other current assets		29,391	64,341
Total current assets		510,278	546,007
<b>PROPERTY AND EQUIPMENT, NET</b>		1,840,584	1,873,387
<b>OTHER ASSETS</b>			
Investments		3,162,096	3,268,769
Total other assets		3,162,096	3,268,769
<b>TOTAL ASSETS</b>		<b>\$ 5,512,958</b>	<b>\$ 5,688,163</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued expenses		\$ 62,533	\$ 63,927
Deferred revenue		7,911	9,396
Tenant security deposit payable		7,750	7,750
Total current liabilities		78,194	81,073
<b>NET ASSETS</b>			
Unrestricted		4,884,034	5,077,078
Temporarily restricted		300,730	280,012
Permanently restricted		250,000	250,000
Total net assets		5,434,764	5,607,090
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>\$ 5,512,958</b>	<b>\$ 5,688,163</b>

See Independent Auditor's Report and Notes to Financial Statements.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Statement of Activities

Year Ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUES AND SUPPORT</b>				
Contributions and grants	\$ 376,157	\$ 68,178	\$ -	\$ 444,335
Legacies and bequests	80,500			80,500
Special events	488,645	-	-	488,645
Less donor received benefit	(50,460)	-	-	(50,460)
Thrift shop sales	441,275	-	-	441,275
Less thrift shop operating costs	(352,489)	-	-	(352,489)
Membership and program fee revenue	94,275	-	-	94,275
Interest and dividends, net of investment fees of \$22,075	46,524	6,897	6,169	59,590
Unrealized and realized losses on investments	(1,982)	(199)	(178)	(2,359)
Rental income	64,500	-	-	64,500
Net revenues and support	<u>1,186,945</u>	<u>74,876</u>	<u>5,991</u>	<u>1,267,812</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>				
Satisfaction of donor restrictions	<u>60,149</u>	<u>(54,158)</u>	<u>(5,991)</u>	<u>-</u>
<b>FUNCTIONAL EXPENSES</b>				
Program services	<u>1,103,787</u>	<u>-</u>	<u>-</u>	<u>1,103,787</u>
Supporting services				
General and administrative expenses	174,917	-	-	174,917
Fundraising	161,434	-	-	161,434
Total supporting expenses	<u>336,351</u>	<u>-</u>	<u>-</u>	<u>336,351</u>
Total functional expenses	<u>1,440,138</u>	<u>-</u>	<u>-</u>	<u>1,440,138</u>
<b>Increase (decrease) in net assets</b>	<b>(193,044)</b>	<b>20,718</b>	<b>-</b>	<b>(172,326)</b>
<b>NET ASSETS, <i>beginning of year</i></b>	<u>5,077,078</u>	<u>280,012</u>	<u>250,000</u>	<u>5,607,090</u>
<b>NET ASSETS, <i>end of year</i></b>	<u><b>\$ 4,884,034</b></u>	<u><b>\$ 300,730</b></u>	<u><b>\$ 250,000</b></u>	<u><b>\$ 5,434,764</b></u>

See Independent Auditor's Report and Notes to Financial Statements.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Statement of Activities

Year Ended June 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>Revenues and Support</b>				
Contributions and grants	\$ 280,466	\$ 65,117	\$ -	\$ 345,583
Donated services	207,692	-	-	207,692
Legacies and bequests	185,435	-	-	185,435
Special events	442,753	-	-	442,753
Less donor received benefit	(35,945)	-	-	(35,945)
Thrift shop sales	448,957	-	-	448,957
Less thrift shop operating costs, includes in-kind expense of \$21,750	(371,885)	-	-	(371,885)
Membership and program fee revenue	105,816	-	-	105,816
Interest and dividends, net of investment fees of \$19,962	35,762	17,790	-	53,552
Unrealized and realized gains on investments	188,439	-	-	188,439
Rental income	62,169	-	-	62,169
Net revenues and support	<u>1,549,659</u>	<u>82,907</u>	<u>-</u>	<u>1,632,566</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>				
Satisfaction of donor restrictions	<u>28,875</u>	<u>(28,875)</u>	<u>-</u>	<u>-</u>
<b>FUNCTIONAL EXPENSES</b>				
Program services	<u>1,324,547</u>	<u>-</u>	<u>-</u>	<u>1,324,547</u>
Supporting services				
General and administrative expenses	243,344	-	-	243,344
Fundraising	135,749	-	-	135,749
Total supporting expenses	<u>379,093</u>	<u>-</u>	<u>-</u>	<u>379,093</u>
Total functional expenses	<u>1,703,640</u>	<u>-</u>	<u>-</u>	<u>1,703,640</u>
<b>Increase (decrease) in net assets</b>	(125,106)	54,032	-	(71,074)
<b>NET ASSETS, beginning of year</b>	5,239,597	225,980	250,000	5,715,577
<b>NET ASSETS, end of year, as previously reported</b>	<b>\$ 5,114,491</b>	<b>\$ 280,012</b>	<b>\$ 250,000</b>	<b>\$ 5,644,503</b>
Adjustment (Note 10)	(37,413)	-	-	(37,413)
<b>NET ASSETS, end of year, as restated</b>	<b><u>\$ 5,077,078</u></b>	<b><u>\$ 280,012</u></b>	<b><u>\$ 250,000</u></b>	<b><u>\$ 5,607,090</u></b>

See Independent Auditor's Report and Notes to Financial Statements.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Statement of Functional Expenses

Year Ended June 30, 2015

	Program Services						Supporting Services			Total Functional Expenses	
	Children's Programs	Council Lifetime Learning	Resources for Women	Membership and Advocacy	Hunger Programs	National Program Support	Total Program Services	Management and General	Fundraising		Total Supporting Services
<b>SALARIES AND RELATED EXPENSES</b>											
Salaries	\$ 39,309	\$ 114,758	\$ 57,734	\$ 94,027	\$ 78,963	\$ -	\$ 384,791	\$ 123,897	\$ 93,383	\$ 217,280	\$ 602,071
Payroll taxes	5,154	17,444	4,295	9,978	7,050	-	43,921	8,828	7,765	16,593	60,514
Employee benefits	4,522	22,364	3,769	11,424	5,767	-	47,846	8,662	-	8,662	56,508
	<u>48,985</u>	<u>154,566</u>	<u>65,798</u>	<u>115,429</u>	<u>91,780</u>	<u>-</u>	<u>476,558</u>	<u>141,387</u>	<u>101,148</u>	<u>242,535</u>	<u>719,093</u>
<b>EXPENSES</b>											
Support to National Organization's programs	-	-	-	2,500	-	104,000	106,500	-	-	-	106,500
Professional fees	3,867	3,867	11,677	2,762	3,867	-	26,040	5,835	-	5,835	31,875
Printing and office supplies	3,182	3,172	1,698	2,646	10,903	-	21,601	419	419	838	22,439
Office expense	12,754	12,627	6,091	8,947	13,129	-	53,548	14,017	1,651	15,668	69,216
Telephone	3,145	3,145	1,348	2,246	3,145	-	13,029	133	133	266	13,295
Postage and shipping	1,689	1,690	724	1,207	1,689	-	6,999	-	5,198	5,198	12,197
Occupancy	28,313	28,315	12,135	20,227	28,315	-	117,305	-	-	-	117,305
Client activities	6,881	59,940	6,383	12,578	79,949	-	165,731	-	-	-	165,731
Special events	-	3,276	-	1,667	-	-	4,943	-	49,741	49,741	54,684
Repairs and maintenance	20,082	21,615	8,607	14,344	20,986	-	85,634	856	-	856	86,490
Awards, grants, scholarships, and financial aid	5,000	-	-	-	-	-	5,000	-	-	-	5,000
Subscriptions and affiliations	-	205	-	-	-	-	205	1,936	-	1,936	2,141
Miscellaneous	43	181	-	-	35	-	259	2,474	-	2,474	2,733
<b>TOTAL EXPENSES BEFORE DEPRECIATION AND AMORTIZATION</b>	<u>133,941</u>	<u>292,599</u>	<u>114,461</u>	<u>184,553</u>	<u>253,798</u>	<u>104,000</u>	<u>1,083,352</u>	<u>167,057</u>	<u>158,290</u>	<u>325,347</u>	<u>1,408,699</u>
Depreciation and amortization	1,886	5,973	629	6,602	5,345	-	20,435	7,860	3,144	11,004	31,439
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u><u>\$ 135,827</u></u>	<u><u>\$ 298,572</u></u>	<u><u>\$ 115,090</u></u>	<u><u>\$ 191,155</u></u>	<u><u>\$ 259,143</u></u>	<u><u>\$ 104,000</u></u>	<u><u>\$ 1,103,787</u></u>	<u><u>\$ 174,917</u></u>	<u><u>\$ 161,434</u></u>	<u><u>\$ 336,351</u></u>	<u><u>\$ 1,440,138</u></u>

See Independent Auditor's Report and Notes to Financial Statements.



**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Statement of Functional Expenses

Year Ended June 30, 2014

	Program Services						Supporting Services			Total Functional Expenses	
	Children's Programs	Council Lifetime Learning	Resources for Women	Community Services	Hunger Programs	National Program Support	Total Program Services	Management and General	Fundraising		Total Supporting Services
<b>SALARIES AND RELATED EXPENSES</b>											
Salaries	\$ 27,026	\$ 112,514	\$ 53,526	\$ 93,292	\$ 79,199	\$ -	\$ 365,557	\$ 111,730	\$ 9,102	\$ 120,832	\$ 486,389
Payroll taxes	3,707	16,265	3,707	9,587	7,380	-	40,646	9,720	696	10,416	51,062
Employee benefits	1,957	15,165	1,957	9,109	3,602	-	31,790	5,609	-	5,609	37,399
	<u>32,690</u>	<u>143,944</u>	<u>59,190</u>	<u>111,988</u>	<u>90,181</u>	<u>-</u>	<u>437,993</u>	<u>127,059</u>	<u>9,798</u>	<u>136,857</u>	<u>574,850</u>
<b>EXPENSES</b>											
Support to National Organization's programs	-	-	-	-	-	94,600	94,600	-	-	-	94,600
Donated services	26,173	50,750	17,328	34,220	34,967	-	163,438	18,879	3,625	22,504	185,942
Professional fees	10,163	10,163	19,163	10,163	15,163	-	64,815	50,426	67,879	118,305	183,120
Printing and office supplies	2,718	4,729	2,320	4,729	9,070	-	23,566	945	752	1,697	25,263
Office expense	7,498	11,073	7,276	11,022	11,540	-	48,409	10,986	2,300	13,286	61,695
Telephone	1,498	2,728	1,088	2,728	2,728	-	10,770	355	355	710	11,480
Postage and shipping	799	1,903	437	1,903	1,903	-	6,945	-	3,364	3,364	10,309
Occupancy	19,542	33,935	14,379	34,295	34,295	-	136,446	1,396	1,396	2,792	139,238
Client activities	5,094	49,812	1,822	17,188	102,314	-	176,230	-	-	-	176,230
Special events	-	991	-	7,756	-	-	8,747	-	37,482	37,482	46,229
Repairs and maintenance	10,748	18,810	8,061	31,194	20,843	-	89,656	4,338	-	4,338	93,994
Awards, grants, scholarships, and financial aid	5,500	-	-	-	-	-	5,500	-	-	-	5,500
Subscriptions and affiliations	-	200	-	-	-	-	200	1,814	-	1,814	2,014
Miscellaneous	-	15	-	-	31	-	46	5,151	-	5,151	5,197
<b>TOTAL EXPENSES BEFORE DEPRECIATION AND AMORTIZATION</b>	<u>122,423</u>	<u>329,053</u>	<u>131,064</u>	<u>267,186</u>	<u>323,035</u>	<u>94,600</u>	<u>1,267,361</u>	<u>221,349</u>	<u>126,951</u>	<u>348,300</u>	<u>1,615,661</u>
Depreciation and amortization	5,279	16,716	1,760	18,475	14,956	-	57,186	21,995	8,798	30,793	87,979
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u><u>\$ 127,702</u></u>	<u><u>\$ 345,769</u></u>	<u><u>\$ 132,824</u></u>	<u><u>\$ 285,661</u></u>	<u><u>\$ 337,991</u></u>	<u><u>\$ 94,600</u></u>	<u><u>\$ 1,324,547</u></u>	<u><u>\$ 243,344</u></u>	<u><u>\$ 135,749</u></u>	<u><u>\$ 379,093</u></u>	<u><u>\$ 1,703,640</u></u>

**National Council of Jewish Women,  
New York Section  
[a Non-Profit Organization]**

Statements of Cash Flows

	<b>Years Ended June 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>		
Net (decrease) in net assets	\$ (172,326)	\$ (71,074)
Adjustments to reconcile net (decrease) in net assets to net cash provided by (used for) operating activities		
Depreciation and amortization	32,803	89,341
Unrealized and realized gain (loss) on investments	(2,359)	188,439
(Increase) decrease in assets		
Contributions receivable	(62,321)	(12,930)
Inventory	-	(935)
Prepaid expenses and other current assets	34,950	11,766
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(1,394)	5,365
Deferred revenue	(1,485)	(18,452)
	<b>(172,132)</b>	<b>191,520</b>
 <b>CASH FLOWS PROVIDED BY (USED FOR) INVESTING ACTIVITIES</b>		
Purchase of investments	(1,152,755)	(29,114)
Proceeds from sale of investments	1,261,787	(551,833)
	<b>109,032</b>	<b>(580,947)</b>
 <b>Net (decrease) in cash and cash equivalents</b>	<b>(63,100)</b>	<b>(389,427)</b>
 <b>CASH AND CASH EQUIVALENTS, <i>beginning of year</i></b>	<b>461,936</b>	<b>851,363</b>
 <b>CASH AND CASH EQUIVALENTS, <i>end of year</i></b>	<b>\$ 398,836</b>	<b>\$ 461,936</b>

See Independent Auditor's Report and Notes to Financial Statements.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 1 - Summary of Significant Accounting Policies:**

*a. Nature of Business*

The National Council of Jewish Women New York Section (“NCJW NY” or “Organization”) is a grassroots organization of volunteers and advocates who turn progressive ideals into action. Inspired by Jewish values, NCJW NY 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.

NCJW NY operates community services and advocacy initiatives, impacting the lives of more than 40,000 New Yorkers. Community services includes hunger programs; 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.

*b. Accounting Policy*

The financial statements of NCJW NY have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) as detailed in the Financial Accounting Standards Codification.

*c. Basis of Presentation*

NCJW NY is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Unrestricted Net Assets** - Net assets that are not limited or restricted by donors. They generally arise as a result of exchange transactions, unrestricted contributions, or restricted contributions whose restrictions have expired.

**Temporarily Restricted Net Assets** - Net assets whose use is limited by donors for the purpose and/or time in which they may be expended. Eventually, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as satisfaction of usage restriction as their time or purpose requirements are met.

**Permanently Restricted Net Assets** - Net assets subject to donor-imposed stipulations that are to be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 1 - Summary of Significant Accounting Policies - Continued**

*d. Tax Status*

NCJW NY is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a “private foundation” under Section 509 (a).

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by NCJW NY and recognize a tax liability if NCJW NY has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management evaluated NCJW NY’s tax positions and concluded that NCJW NY had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

*e. Investments*

Investments are reported at fair value. Fair value is 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. See Note 2 for a discussion of fair value measurements.

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. Investment income (loss) includes NCJW NY’s gains and losses of investments bought and sold as well as held during the year.

*f. Property and Equipment*

Property and equipment are carried at cost for purchased items and at fair value for contributed items at the time it is donated. Property and equipment costing in excess of \$2,000 with a useful life of greater than one year are capitalized. Major improvements are capitalized and amortized over their useful lives. Maintenance and repairs are treated as expenses.

Depreciation and amortization are provided in amounts sufficient to writeoff the cost of depreciable assets, less salvage value, over their estimated useful lives. Depreciation is computed by using the straight-line method over the following estimated useful lives of the depreciable assets.

Building and building improvements	40 years
Leasehold improvements	10 years
Furniture and fixtures	5 - 10 years
Computer software	3 years

*g. Contributed Services and Materials*

NCJW NY receives thousands of hours of donated services from a variety of unpaid volunteers assisting with the various programs and events. No amounts have been reflected in the current year financial statements because the criteria for recognition of such volunteer effort have not been satisfied. Also in the current year, NCJW NY does not recognize the cost of donated materials, such as used clothing and other thrift shop saleable items, because no measurable value can be assigned to the items.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 1 - Summary of Significant Accounting Policies - Continued**

*h. Revenues and Support*

Contributions received are generally available for unrestricted use unless specifically restricted by the donor. All donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets.

NCJW NY receives dues from its members. Amounts received in advance for a future year's memberships are deferred until that year. Program fee revenue is recognized when the program takes place. Sales revenue is recognized upon the sale of the thrift shop's merchandise.

*i. Functional Allocation of Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

*j. Cash and Cash Equivalents*

For purposes of the statements of cash flows, NCJW NY considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Money market funds held within the brokerage accounts are presented as cash and cash equivalents. As of June 30, 2015 and 2014, money market funds included in cash and cash equivalents were \$151,249 and \$56,355, respectively.

*k. Concentrations of Credit Risk*

NCJW NY maintains cash balances in several financial institutions. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC). From time to time, NCJW NY's balances exceed the federal insured limits. The Organization also maintains cash balances in money market funds which are insured through the Securities Investor Protection Corporation (SIPC). From time to time, NCJW NY's money market balance may exceed the insured limits of the SIPC.

*l. 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 cash flows. As of June 30, 2015 and 2014, all receivable balances were expected to be received within one year. Conditional promises to give are not included as support until the conditions are subsequently met.

NCJW NY utilizes the allowance method to account for uncollectible contributions receivable. The allowance for doubtful accounts is based on prior year experience and management's analysis of possible bad debts. Bad debts written off are applied against the allowance account. As of June 30, 2015 and 2014, there was no allowance recorded on the books of NCJW NY.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 1 - Summary of Significant Accounting Policies - Continued**

*m. Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

*n. Reclassifications*

Certain reclassifications were made to the prior year amounts in order to conform to the current year presentation.

*o. Evaluation of Subsequent Events*

NCJW NY evaluated subsequent events for potential recognition or disclosure through October 16, 2015, the date the financial statements were available to be issued.

**Note 2 - Investments**

Investments are stated at fair market value and are summarized as follows:

	June 30, 2015		
	Cost	Fair Value	Unrealized Gain
Equities	\$ 1,125,919	\$ 1,178,927	\$ 53,008
Fixed income			
Government securities	756,199	760,900	4,701
Corporate bonds	510,192	510,667	475
Mutual funds	665,346	711,602	46,256
Totals	<u>\$ 3,057,656</u>	<u>\$ 3,162,096</u>	<u>\$ 104,440</u>
	June 30, 2014		
	Cost	Fair Value	Unrealized Gain
Equities	\$ 731,882	\$ 880,050	\$ 148,168
Fixed income			
Government securities	985,427	989,028	3,601
Corporate bonds	578,477	585,113	6,636
Mutual funds	766,017	814,578	48,561
Totals	<u>\$ 3,061,803</u>	<u>\$ 3,268,769</u>	<u>\$ 206,966</u>

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 2 - Investments - Continued**

These investments are held for the following purposes:

Description	June 30,	
	2015	2014
Permanently restricted investments	\$ 250,000	\$ 250,000
Temporarily restricted investments	300,730	280,012
Other program related purposes and general operations	2,611,366	2,738,757
Total	\$ 3,162,096	\$ 3,268,769

NCJW NY invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

NCJW NY applies Fair Value Measurements and Disclosures, which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value is 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.

NCJW NY groups investments at fair value into three levels based on the markets in which the investments are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 - Inputs that reflect unadjusted quoted market prices in active exchange markets for identical assets or liabilities that NCJW NY has the ability to access at the measurement date.

Level 2 - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 - Inputs that are unobservable for the asset or liability and that include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimate.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lower level of input that is significant to the fair value measurement. NCJW NY's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. Below are the valuation techniques used by NCJW NY to measure different financial instruments at fair value, and the level within the fair value hierarchy in which the financial instrument is categorized.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 2 - Investments - Continued**

Government and Corporate Bonds

These investments are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.

The fair value hierarchy at June 30, 2015 and 2014 are as follows:

	June 30, 2015			
	Total	Level 1	Level 2	Level 3
<u>Assets</u>				
Equities				
Common stocks	\$ 1,178,927	\$ 1,178,927	\$ -	\$ -
Bonds				
Corporate bonds	510,667	-	510,667	-
Government bonds	760,900	-	760,900	-
Mutual funds				
Equities	711,602	711,602	-	-
Totals	<u>\$ 3,162,096</u>	<u>\$ 1,890,529</u>	<u>\$ 1,271,567</u>	<u>\$ -</u>
June 30, 2014				
	Total	Level 1	Level 2	Level 3
<u>Assets</u>				
Equities				
Common stocks	\$ 880,050	\$ 880,050	\$ -	\$ -
Bonds				
Corporate bonds	585,113	-	585,113	-
Government bonds	989,028	-	989,028	-
Mutual funds				
Equities	814,578	814,578	-	-
Totals	<u>\$ 3,268,769</u>	<u>\$ 1,694,628</u>	<u>\$ 1,574,141</u>	<u>\$ -</u>



**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 3 - Property and Equipment, Net**

Property and equipment consists of the following:

	June 30,	
	2015	2014
Land	\$ 63,000	\$ 63,000
Building and building improvements	2,382,377	2,382,377
Leasehold improvements	56,393	56,393
Furniture and fixtures	120,280	120,280
Computer software	20,325	20,325
Total	2,642,375	2,642,375
Less accumulated depreciation and amortization	801,791	768,988
Property and equipment, net	\$ 1,840,584	\$ 1,873,387

**Note 4 - Temporarily Restricted Net Assets**

Net assets are temporarily restricted for the following purposes:

	June 30	
	2015	2014
Children's Services	\$ 55,074	\$ 35,978
Jewish Women's Resource Center	15,030	17,212
Scholarships	128,902	137,482
Council Lifetime Learning	93,814	81,218
Advocacy	6,595	6,771
Support Groups	1,315	1,351
Total temporarily restricted net assets	\$ 300,730	\$ 280,012

**Note 5 - Permanently Restricted Net Assets**

Net assets are permanently restricted for the following purposes:

	June 30,	
	2015	2014
Jewish Women's Resource Center	\$ 200,000	\$ 200,000
Pregnancy Loss Support Program	50,000	50,000
Total permanently restricted net assets	\$ 250,000	\$ 250,000

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 5 - Permanently Restricted Net Assets - Continued**

The permanently restricted funds making up the Jewish Women's Resource Center consist of two bequests of \$100,000 each. In keeping with the donors' intention, the donors' original contributions are to be permanently restricted and NCJW NY is to use the investment income generated from the funds to support activities of the Jewish Women's Resource Center. The permanently restricted funds making up the Pregnancy Loss Support Program consists of a single bequest of \$50,000. In keeping with the donor's intention, the donor's original contribution is to be permanently restricted and NCJW NY is to use the investment income generated from the funds to support activities of the Pregnancy Loss Support Program. Investment income generated from these funds are presented as unrestricted interest and dividends as the designated funds are released in the same fiscal year they are earned.

**Note 6 - Operating Lease Commitment**

On January 1, 2013, NCJW NY entered into an operating lease for its thrift shop located in New York, NY. The lease is to expire on December 31, 2017 and includes annual rent increases.

Future minimum lease payments are as follows:

For the fiscal years ending June 30,

2016	\$ 131,148
2017	132,186
2018	66,612
	<u>\$ 329,946</u>

Total rent expense for the years ended June 30, 2015 and 2014 was \$125,274 and \$111,818, respectively.

**Note 7 - 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 3% of the participant's compensation, provided the participant contributes at least 2.5% 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, 2015 and 2014, pension expense was \$5,467 and \$5,569, respectively.

**Note 8 - Rental Income**

Beginning April 25, 2014, NCJW NY entered into a rental agreement with an outside party to rent a portion of the property at 241 West 72<sup>nd</sup> Street for designated periods. The rental agreement is to expire on April 25, 2017. Per the agreement, the outside party is to rent the premises for "Regularly Scheduled Use" which consists of only the Jewish Sabbath unless NCJW NY is notified otherwise in advance.

**National Council of Jewish Women  
New York Section  
[a Non-Profit Organization]**

Notes to Financial Statements

June 30, 2015 and 2014

**Note 8 - Rental Income - Continued**

Minimum future rentals to be received on this agreement are as follows:

For the fiscal years ending June 30,

2016	\$ 12,740
2017	<u>10,950</u>
	<u><u>\$ 23,690</u></u>

Additionally, the outside party is able to rent the premises for supplemental use which includes any other Jewish holiday or for the outside party's own programming use. The outside party is also able to rent the premises for half day use at a reduced rent.

Total rental income for the years ended June 30, 2015 and 2014 was \$64,500 and \$62,169, respectively.

**Note 9 - Supplemental Cash Flow Disclosure**

For the years ended June 30, 2015 and 2014, there was no cash paid for interest or income taxes, respectively.

**Note 10 - Prior Period Adjustment**

The financial statements at June 30, 2014 have been restated to decrease the change in net assets by \$37,413 in order to write off the balance of the thrift store inventory. Thrift store inventory consisted of donated materials which had no measurable value that could be assigned to the items, and, as a result, was not in accordance with GAAP as previously reported.