

YWCA Richmond

FINANCIAL REPORT

JUNE 30, 2016

YWCA Richmond

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PILC &
MOSELEY, LLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
YWCA Richmond
Richmond, Virginia

We have audited the accompanying financial statements of YWCA Richmond, which comprise the statements of financial position as of June 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. 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 audit 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 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 reasonable 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 YWCA Richmond as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Pilc & Moseley, LLC

Richmond, Virginia
November 8, 2016

FINANCIAL STATEMENTS

YWCA RICHMOND
Statement of Financial Position
Year Ended June 30, 2016
With Comparative Amounts as of June 30, 2015

ASSETS	<u>2016</u>	<u>2015</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 267,577	\$ 368,956
Contributions receivable, net	435,282	175,370
Grants receivable	156,248	109,351
Other receivables	70,822	42,942
Prepaid expenses	24,501	32,501
Other current assets	2,695	2,695
Investments	<u>1,554,243</u>	<u>1,636,870</u>
Total current assets	2,511,368	2,368,685
PROPERTY AND EQUIPMENT, NET	<u>1,678,571</u>	<u>1,739,397</u>
Total assets	<u>\$ 4,189,939</u>	<u>\$ 4,108,082</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 25,120	\$ 33,599
Accrued expenses	<u>51,908</u>	<u>81,649</u>
Total current liabilities	<u>77,028</u>	<u>115,248</u>
NET ASSETS		
Unrestricted		
Operating	1,919,477	1,950,938
Property and Equipment	<u>1,678,571</u>	<u>1,739,396</u>
Total unrestricted net assets	3,598,048	3,690,334
Temporarily restricted	<u>514,863</u>	<u>302,500</u>
Total net assets	<u>4,112,911</u>	<u>3,992,834</u>
Total liabilities and net assets	<u>\$ 4,189,939</u>	<u>\$ 4,108,082</u>

See accompanying notes.

YWCA RICHMOND
Statement of Activities
Year Ended June 30, 2016
With Comparative Amounts as of June 30, 2015

	Unrestricted	Temporarily Restricted	2016	Total 2015
SUPPORT AND OTHER REVENUE				
Support				
Contributions and grants	\$ 496,430	\$ 843,768	\$ 1,340,198	\$ 840,495
Contributions - inkind	208,361	-	208,361	136,072
Government grants	539,707	-	539,707	473,848
Municipality grants	7,250	-	7,250	50,520
United Way services		240,000	240,000	304,266
Trust fund distributions	-	75,840	75,840	80,899
Total support	<u>1,251,748</u>	<u>1,159,608</u>	<u>2,411,356</u>	<u>1,886,100</u>
Revenue				
Special events, OWA luncheon	194,508	-	194,508	190,215
Investment income	19,440	-	19,440	103,598
Gain on sale of fixed assets	-	-	-	5,035
Program service fees	438,100	-	438,100	225,272
Miscellaneous income	18,068	-	18,068	52,633
Total revenue	<u>670,116</u>	<u>-</u>	<u>670,116</u>	<u>576,753</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>947,245</u>	<u>(947,245)</u>	<u>-</u>	<u>-</u>
Total support and other revenue	<u>2,869,109</u>	<u>212,363</u>	<u>3,081,472</u>	<u>2,462,853</u>
EXPENSES				
Program services				
Child care	975,611	-	975,611	788,011
Women's Advocacy Program	1,420,536	-	1,420,536	1,229,381
Total program services	2,396,147	-	2,396,147	2,017,392
Supporting Services				
Management and general	359,845	-	359,845	308,527
Fundraising	205,403	-	205,403	246,283
Total expenses	<u>2,961,395</u>	<u>-</u>	<u>2,961,395</u>	<u>2,572,202</u>
CHANGE IN NET ASSETS	(92,286)	212,363	120,077	(109,349)
NET ASSETS, BEGINNING OF YEAR	<u>3,690,334</u>	<u>302,500</u>	<u>3,992,834</u>	<u>4,102,183</u>
NET ASSETS, END OF YEAR	<u>\$ 3,598,048</u>	<u>\$ 514,863</u>	<u>\$ 4,112,911</u>	<u>\$ 3,992,834</u>

See accompanying notes.

YWCA RICHMOND

Statement of Functional Expenses

Year Ended June 30, 2016

With Comparative Amounts as of June 30, 2015

	Program Services			Supporting Services			2015 Total
	Child Care	Women's Advocacy	Total	Management & General	Fundraising	Total	
Salaries	\$ 570,882	\$ 685,657	\$ 1,256,539	\$ 224,138	\$ 107,884	\$ 332,022	\$ 1,588,561
Employee benefits	82,626	74,950	157,576	9,189	6,082	15,271	172,847
Payroll taxes	54,645	65,978	120,623	19,887	8,975	28,862	149,485
Assistance to individuals	-	156,771	156,771	-	-	-	156,771
Bank and investment fees	5,377	6,457	11,834	2,111	1,016	3,127	14,961
Conferences and meetings	2,824	2,956	5,780	2,735	5,854	8,589	14,369
Donated services	20,836	187,525	208,361	-	-	-	208,361
Insurance	7,829	9,403	17,232	3,074	1,479	4,553	21,785
Interest	-	-	-	-	-	-	-
Miscellaneous	4,932	5,926	10,858	1,937	932	2,869	13,727
National Organization dues	4,002	4,807	8,809	1,571	756	2,327	11,136
Occupancy	62,762	75,380	138,142	24,641	11,860	36,501	174,643
Outside services	2,859	666	3,525	3,490	9,172	12,662	16,187
Postage	1,434	1,075	2,509	988	2,093	3,081	5,590
Printing	15	611	626	185	8,438	8,623	9,249
Professional fees and contract services	45,222	54,314	99,536	17,755	8,546	26,301	125,837
Rental and maintenance of equipment	7,385	8,869	16,254	2,899	1,396	4,295	20,549
Scholarship expense	-	-	-	-	17,500	17,500	17,500
Supplies	43,772	9,280	53,052	22,391	2,420	24,811	77,863
Telephone	10,361	12,444	22,805	4,068	1,958	6,026	28,831
Travel and transportation	2,172	2,608	4,780	853	410	1,263	6,043
Depreciation	45,676	54,859	100,535	17,933	8,632	26,565	127,100
Total functional expenses	\$ 975,611	\$ 1,420,536	\$ 2,396,147	\$ 359,845	\$ 205,403	\$ 565,248	\$ 2,961,395
							\$ 2,572,202

See accompanying notes.

YWCA RICHMOND
Statement of Cash Flows
Year Ended June 30, 2016
With Comparative Amounts as of June 30, 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 120,077	\$ (109,349)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	127,100	128,937
Unrealized losses on investments	33,652	8,770
Realized gains on investments	(24,361)	(86,365)
Gain on sale of fixed assets	-	(5,035)
Changes in assets and liabilities:		
Decrease (increase) in contributions receivable	(259,912)	12,620
Increase in grants receivable	(46,897)	(54,676)
Increase in other receivables	(27,880)	(2,826)
Decrease in prepaid expenses	8,000	3,844
Decrease in accounts payable	(8,479)	(4,606)
Increase (decrease) in accrued expenses	(29,741)	3,947
	(108,441)	(104,739)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(66,274)	(8,521)
Purchase of investments	(348,045)	(327,060)
Proceeds from the sale of fixed assets	-	213,469
Proceeds from sale of investments	421,381	403,971
	7,062	281,859
CASH FLOWS USED IN FINANCING ACTIVITIES		
Net repayment on line of credit	-	(115,957)
	-	(115,957)
Net increase (decrease) in cash and cash equivalents	(101,379)	61,163
CASH AND CASH EQUIVALENTS		
Beginning of year	368,956	307,793
End of year	\$ 267,577	\$ 368,956
SUPPLEMENTAL CASH FLOW DISCLOSURES		
Cash paid for interest	\$ -	\$ 1,445

See accompanying notes.

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Association

YWCA Richmond (the Organization) is an organization formed primarily to support the development of women and families of diverse backgrounds and faiths. The Organization joins in the struggle for peace, justice and dignity for all people and pledges to direct its collective power towards the elimination of racism wherever it exists. The Organization is principally funded from contributions, governmental grants, United Way Services, and program service fees.

The Organization serves at-risk children and the victims of domestic violence and sexual assault with rescue, recovery, and life-building programs to enable positive change and growth leading to emotional, social, and economic stability. The Organization's vision is a community that protects the vulnerable, reaches out to those in need, honors personal courage, celebrates the success of women and values diversity and equality.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that the Organization maintains them permanently. 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.

(Continued)

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual events and circumstances could alter those estimates.

Cash and Cash Equivalents

For cash flows reporting purposes, the Organization's definition of cash and cash equivalents includes temporary investments of short-term, highly liquid investments with maturities of three months or less at the date of purchase. Cash and cash equivalents for purposes of the statement of cash flows exclude temporarily restricted cash and cash equivalents.

Investments

Investments are composed of debt and equity securities and carried at fair value, which is determined based on quoted market prices. Realized and unrealized gains and losses are reflected in the statement of activities. Gain and losses on sale transactions are recorded when realized based on the original cost (amortized in the case of bonds) of the investments sold based on the specific identification method. Earnings from investments are recorded as interest and dividends and are reflected in the statement of activities.

Property and Depreciation

The Organization's policy is to capitalize all expenditures greater than \$1,000 for buildings and equipment. All capital assets are recorded at cost; all donated property and equipment are recorded at fair market value at date of gift. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. The estimated useful lives are seven to thirty-one years for buildings and leasehold improvements, and five to ten years for equipment and vehicles. The costs of major improvements are capitalized, while the costs of maintenance and repairs, which do not improve or extend the life of the respective assets, are expensed currently. The cost and accumulated depreciation on property are eliminated from the accounts upon disposal; any resulting gain or loss is included in income.

(Continued)

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Program Services

The Organization's Children's Center and Women's Advocacy Program are two services which are ongoing and major objectives of the Organization. The Children's Center programs include preschool, which encompasses a Head Start program and an after school child care program. The Women's Advocacy Program includes individual and group counseling services for survivors of sexual assault and domestic violence, a 24-hour hotline and emergency shelters for battered women and their children.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited using both judgment and specific identification.

Promises to Give

Unconditional promises to give, including pledges and contributions receivable, are recognized as revenues or gains in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Amounts due more than one year later are recorded at the present value of the estimated future cash flows, discounted at risk-free rates applicable to the years in which the promises were received. At this time, no allowance is considered necessary as there is no material difference between direct write-off method and the allowance method.

Advertising

The Organization expenses advertising costs as incurred. Advertising costs were approximately \$4,955 for the year ended June 30, 2016.

(Continued)

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES
(Concluded)

Income Taxes

The Internal Revenue Service has determined that the Organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. Contributions to the Organization are tax deductible as defined by Section 170 of the Code. In addition, the Internal Revenue Service has determined that the Organization is not a “private foundation” within the meaning of Section 509(a) of the Code.

The Organization follows Financial Accounting Standards Board (“FASB”) guidance for how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. Management evaluated the Organization’s tax position and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. The Organization is no longer subject to examination by tax authorities for periods before 2013. The Organization is not currently under audit by any tax jurisdiction.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. 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 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 statement of activities as net assets released from restrictions.

Contributed Goods and Services

Contributed goods are reflected as contributions in the accompanying financial statements at their estimated fair values at the date of receipt. Contributions of services are recorded at estimated fair value if the services received create or enhance nonfinancial assets or require specialized skills and would typically need to be purchased if not provided by donation.

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 2. INVESTMENTS

Investments are stated at their readily determinable fair value and are summarized as follows as of June 30, 2016:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Cash management fund	\$ 64,502	\$ 64,502	\$ -
Corporate bonds	321,067	328,435	7,368
Equitable securities	793,333	1,161,306	367,973
	<u>\$1,178,902</u>	<u>\$1,554,243</u>	<u>\$ 375,341</u>

Investments are stated at their readily determinable fair value and are summarized as follows as of June 30, 2015:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Cash management fund	\$ 93,946	\$ 93,946	\$ -
Corporate bonds	409,695	407,552	(2,143)
Equitable securities	724,235	1,135,372	411,137
	<u>\$1,227,876</u>	<u>\$1,636,870</u>	<u>\$ 408,994</u>

These funds represent board-designated amounts set aside in prior years for the purpose of providing an income stream for annual operations.

Investment return is summarized as follows for the year ended June 30, 2016:

Interest and dividends	\$ 28,731
Realized gains on the sale of investments	24,361
Unrealized losses on investments	<u>(33,652)</u>
Total investment income	<u>\$ 19,440</u>

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 3. FAIR VALUE MEASUREMENTS

The Organization records its financial instruments in accordance with the fair value guidance as established by the Financial Accounting Standards Board (“FASB”). In accordance with this guidance, fair value is defined as the price the Organization would receive from the sale of an asset, or pay to transfer a liability, in an orderly transaction between market participants on the measurement date. This guidance establishes a three-tier hierarchy which maximizes the use of observable inputs and minimizes the use of unobservable inputs used to measure fair value of the assets or liabilities. The inputs are summarized in three levels as outlined below:

Level 1 – Financial instruments with unadjusted, quoted prices listed on active market exchanges for identical investments at the reporting date. The types of investments which would generally be included in Level 1 are listed equity securities.

Level 2 – Financial instruments valued using pricing inputs other than quoted prices in active markets which are either directly or indirectly observable at the reporting date. Fair value is determined through the use of models or other valuation methodologies. The types of investments which would generally be included in Level 2 are governmental and corporate bonds and loans.

Level 3 – Financial instruments that are not actively traded on a market or exchange and require using significant unobservable inputs in determining fair value. The inputs into the determination of fair value require significant judgment or estimation by the Investment Manager. The types of investments which would generally be included in Level 3 are common trust funds, hedge funds, general and limited partnership interests in corporate and private equity, and real estate funds and interests in pooled investments held by a third party.

(Continued)

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 3. FAIR VALUE MEASUREMENTS
(Continued)

The following tables summarize the valuation of the Organization's financial assets measured at fair value on a recurring basis at June 30, 2016 and 2015, respectively, based on the level of input utilized to measure fair value.

	June 30, 2016			Total
	Level 1	Level 2	Level 3	
Money market accounts	64,502	-	-	64,502
Mutual Funds:				
Closed-end mutual funds	54,036	-	-	54,036
Consumer discretionary	182,015	-	-	182,015
Consumer Staples	118,897	-	-	118,897
Energy	75,544	-	-	75,544
Financials	265,282	-	-	265,282
Healthcare	113,129	-	-	113,129
Industrials	124,437	-	-	124,437
Information technology	136,421	-	-	136,421
Materials	37,234	-	-	37,234
Real Estate	54,311	-	-	54,311
Corporate Bonds	-	328,435	-	328,435
	1,225,808	328,435	-	1,554,243

(Continued)

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 3. FAIR VALUE MEASUREMENTS
(Concluded)

	June 30, 2015			Total
	Level 1	Level 2	Level 3	
Money market accounts	93,942	-	-	93,942
Mutual Funds:				
Closed-end mutual funds	85,228	-	-	85,228
Consumer discretionary	198,633	-	-	198,633
Consumer Staples	119,629	-	-	119,629
Energy	68,632	-	-	68,632
Financials	265,234	-	-	265,234
Healthcare	173,796	-	-	173,796
Industrials	113,153	-	-	113,153
Information technology	127,439	-	-	127,439
Materials	48,962	-	-	48,962
Real Estate	30,786	-	-	30,786
Corporate Bonds	-	311,436	-	311,436
	<u>1,325,434</u>	<u>311,436</u>	<u>-</u>	<u>1,636,870</u>

NOTE 4. PROPERTY AND EQUIPMENT

Land, buildings and equipment consist of the following as of June 30, 2016:

Land	\$ 76,950
Buildings and improvements	3,219,630
Furniture, fixtures and equipment	440,676
Vehicles	<u>94,384</u>
Totals	3,831,640
Less: Accumulated depreciation	<u>2,153,069</u>
Total property and equipment, net	<u>\$ 1,678,571</u>

(Continued)

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 4. PROPERTY AND EQUIPMENT
(Concluded)

Land, buildings and equipment consist of the following as of June 30, 2015:

Land	\$ 76,950
Buildings and improvements	3,364,186
Furniture, fixtures and equipment	230,270
Vehicles	<u>94,384</u>
Totals	3,765,790
Less: Accumulated depreciation	<u>2,026,393</u>
Total property and equipment, net	<u><u>\$ 1,739,397</u></u>

NOTE 5. RETIREMENT PLAN

Employees who work at least 20 hours weekly and have worked at least 1,000 hours in two consecutive years are eligible to participate in a non-contributory retirement plan administered by the YWCA Richmond Retirement Fund, Incorporated. Participation is required by employees who have been employed for 24 months or for the required number of hours. Benefits are vested immediately. The Organization contributes 3% of applicable gross salaries. Contributions charged to expense totaled \$24,107 for the year ended June 30, 2016. Accumulated plan benefits and plan net assets information is not available as it pertains to the Organization, since the actuarial and financial information is tabulated for this multi-employer plan only on the national level.

NOTE 6. TRUST FUND

The George P. Lumsden Fund, which is held in trust by others, was established in 1925 to assist working women. A trustee who makes annual distributions to the Organization based on a pre-determined percentage set by the trust, to the Organization, administers the fund. These distributions are derived from income earned on investments of the fund. For the year ended June 30, 2016 the Organization received \$75,840 which was released from temporarily restricted net assets.

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 7. CONTRIBUTIONS RECEIVABLE

Contributions receivable include the allocation from United Way Services, which represents funding for the period July 1 through September 30 of the following year and the contributor choice contributions from the United Way annual campaign for the following year. Also, included for 2015 are general operating contributions to be received over the next year. These unconditional promises to give are to be received by the Organization for the year subsequent to June 30, 2016 and 2015, respectively, and at this time, are deemed to be fully collectible by management.

	2016	2015
Receivable in less than one year		
United Way allocation	\$ 80,000	\$ 160,000
Contributor choice contributions	10,282	14,245
Operating contributions	345,000	1,125
Net contributions receivable	\$ 435,282	\$ 175,370

NOTE 8. CONTRIBUTED SERVICES

Significant services, materials, and facilities are donated to the Organization by various individuals and organizations. Donated services and materials were \$208,361 and \$136,072 during the years ended June 30, 2016 and 2015, respectively. These have been recorded at fair market value at the date of the donation, and have been included in revenue in the statement of activities.

During 2016 the value of the donated shelter care services recorded is estimated to be \$91,155 which includes approximately 9,115.5 volunteer hours. In connection with the Outstanding Women Awards Luncheon, the Organization received approximately \$59,760 in donated services.

During 2015 the value of the donated services recorded is estimated to be \$37,170, which includes approximately 3,717 volunteer hours. In connection with the Outstanding Women Awards Luncheon, the Organization received approximately \$36,366 in donated services.

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 9. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or future periods as of June 30, 2016 and 2015:

	2016	2015
United Way - operations	\$ 80,000	\$ 160,000
Contributions – designated for programs	434,863	142,500
	\$ 514,863	\$ 302,500

Net assets released during the year ended June 30, 2016 are as follows:

Lumsden annuity	\$ 75,840
United Way - operations	320,000
Contributions – designated for programs	551,405
	\$ 947,245

NOTE 10. CONCENTRATION OF CREDIT RISK

Financial instruments, which potentially subject the Organization to concentration of credit risk, consist principally of cash, cash equivalents, and unsecured receivables. Cash and cash equivalents are maintained in two financial institutions in Richmond, Virginia. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000, respectively. At times the Organization may have cash balances that exceed these limits. In addition, cash equivalents at June 30, 2016 and 2015, respectively, of \$64,502 and \$93,942, were invested in repurchase agreements and money market funds, which are uninsured. Management believes there are no significant credit risks from receivables as they are primarily due from grant funding or United Way Services.

NOTE 11. COMPARATIVE TOTALS

The financial statements 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 the organizations' financial statements for the year ended June 30, 2015, from which the summarized information was derived.

YWCA RICHMOND
Notes to Financial Statements
June 30, 2016

NOTE 12. COMMITMENTS

The Organization has signed multiple 12-month operating leases for apartments to be used as women's shelters. The current total monthly rent is approximately \$4,840.

The Organization has entered into three non-cancelable operating leases for office equipment. The leases are effective from November 1, 2014 to October 31, 2017, from July 1, 2012 to September 30, 2016 and from October 1, 2016 to September 30, 2021. The following is a schedule by years of future minimum lease commitments at June 30, 2016:

2017	\$	67,725
2018		14,140
2019		11,844
2020		11,844
2021		11,844
Thereafter		<u>2,961</u>
	\$	<u>120,358</u>

NOTE 14. LINE OF CREDIT

YWCA Richmond has a line of credit available for operational needs up to \$250,000, dated December 5, 2016. The line is secured by the Organization's investments. Interest is due monthly at 3.25%. Total interest paid for 2016 was \$0. The line had an outstanding balance of \$0 at June 30, 2016.

NOTE 15. SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 8, 2016, the date the financial statements were issued.