

FINANCIAL STATEMENTS



**FOR THE YEARS ENDED
JUNE 30, 2014 AND 2013**

YOUNG SURVIVAL COALITION, INC.

CONTENTS

	PAGE NO.
INDEPENDENT AUDITOR'S REPORT	2 - 3
EXHIBIT A - Statements of Financial Position, as of June 30, 2014 and 2013	4
EXHIBIT B - Statements of Activities and Changes in Net Assets, for the Years Ended June 30, 2014 and 2013	5 - 6
EXHIBIT C - Statements of Cash Flows, for the Years Ended June 30, 2014 and 2013	7
NOTES TO FINANCIAL STATEMENTS	8 - 15
SUPPLEMENTAL INFORMATION	
SCHEDULE 1 - Schedule of Functional Expenses, for the Year Ended June 30, 2014	16
SCHEDULE 2 - Schedule of Functional Expenses, for the Year Ended June 30, 2013	17

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Young Survival Coalition, Inc.
New York, New York

We have audited the accompanying financial statements of Young Survival Coalition, Inc. (YSC), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities and changes in net assets 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 audits 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 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 YSC as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Functional Expenses on pages 16 - 17 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

December 6, 2014

YOUNG SURVIVAL COALITION, INC.

STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2014 AND 2013

ASSETS

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash and cash equivalents:		
Restricted	\$ 88,037	\$ 53,674
Operating	<u>718,814</u>	<u>340,630</u>
Total cash and cash equivalents	806,851	394,304
Investments (Notes 2 and 8)	8,686	-
Contributions and grants receivable, net of allowance for doubtful accounts of \$13,523 in 2014 and \$3,949 in 2013	467,885	410,265
Prepaid expenses and other assets	<u>36,593</u>	<u>189,888</u>
Total current assets	<u>1,320,015</u>	<u>994,457</u>
FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS		
Furniture	83,597	45,652
Software and related computer equipment	71,903	46,742
Website	42,153	-
Leasehold improvements	18,025	12,358
Less: Accumulated depreciation and amortization	<u>(94,923)</u>	<u>(91,953)</u>
Net furniture, equipment and leasehold improvements	<u>120,755</u>	<u>12,799</u>
NONCURRENT ASSETS		
Restricted cash (Note 9)	-	200,000
Restricted investments (Notes 2 , 8 and 9)	200,000	-
Security deposits	<u>87,769</u>	<u>155,952</u>
Total noncurrent assets	<u>287,769</u>	<u>355,952</u>
TOTAL ASSETS	<u>\$ 1,728,539</u>	<u>\$ 1,363,208</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 186,097	\$ 144,904
Deferred rent abatement (Note 5)	<u>-</u>	<u>6,393</u>
Total current liabilities	186,097	151,297
NONCURRENT LIABILITIES		
Deferred rent abatement, net of current portion (Note 5)	<u>105,408</u>	<u>-</u>
Total liabilities	<u>291,505</u>	<u>151,297</u>
NET ASSETS		
Unrestricted	1,151,446	796,951
Temporarily restricted (Note 3)	85,588	214,960
Permanently restricted (Note 9)	<u>200,000</u>	<u>200,000</u>
Total net assets	<u>1,437,034</u>	<u>1,211,911</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,728,539</u>	<u>\$ 1,363,208</u>

See accompanying notes to financial statements.

YOUNG SURVIVAL COALITION, INC.

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<u>2014</u>			
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE				
Contributions and grants	\$ 4,429,246	\$ 260,000	\$ -	\$ 4,689,246
Interest and investment income (Notes 2 and 9)	227	2,706	-	2,933
In-kind contributions	66,161	-	-	66,161
Program service fees	10,002	-	-	10,002
Merchandise income	15,783	-	-	15,783
Other	-	-	-	-
Net assets released from donor restrictions (Note 4)	<u>392,078</u>	<u>(392,078)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>4,913,497</u>	<u>(129,372)</u>	<u>-</u>	<u>4,784,125</u>
EXPENSES				
Program Services	<u>3,202,211</u>	<u>-</u>	<u>-</u>	<u>3,202,211</u>
Supporting Services:				
Management and General	828,260	-	-	828,260
Fundraising	<u>528,531</u>	<u>-</u>	<u>-</u>	<u>528,531</u>
Total supporting services	<u>1,356,791</u>	<u>-</u>	<u>-</u>	<u>1,356,791</u>
Total expenses	<u>4,559,002</u>	<u>-</u>	<u>-</u>	<u>4,559,002</u>
Changes in net assets	354,495	(129,372)	-	225,123
Net assets at beginning of year	<u>796,951</u>	<u>214,960</u>	<u>200,000</u>	<u>1,211,911</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,151,446</u>	<u>\$ 85,588</u>	<u>\$ 200,000</u>	<u>\$ 1,437,034</u>

2013			
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
\$ 4,162,299	\$ 430,749	\$ -	\$ 4,593,048
103	22	-	125
40,880	-	-	40,880
3,250	-	-	3,250
24,302	-	-	24,302
9,033	-	-	9,033
<u>952,582</u>	<u>(952,582)</u>	<u>-</u>	<u>-</u>
<u>5,192,449</u>	<u>(521,811)</u>	<u>-</u>	<u>4,670,638</u>
<u>3,537,676</u>	<u>-</u>	<u>-</u>	<u>3,537,676</u>
651,221	-	-	651,221
<u>559,476</u>	<u>-</u>	<u>-</u>	<u>559,476</u>
<u>1,210,697</u>	<u>-</u>	<u>-</u>	<u>1,210,697</u>
<u>4,748,373</u>	<u>-</u>	<u>-</u>	<u>4,748,373</u>
444,076	(521,811)	-	(77,735)
<u>352,875</u>	<u>736,771</u>	<u>200,000</u>	<u>1,289,646</u>
<u>\$ 796,951</u>	<u>\$ 214,960</u>	<u>\$ 200,000</u>	<u>\$ 1,211,911</u>

See accompanying notes to financial statements.

YOUNG SURVIVAL COALITION, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 225,123	\$ (77,735)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	25,804	16,062
Unrealized gain on investments	(1,265)	-
Change in allowance for bad debt	9,574	3,949
Deferred rent abatement	99,015	(21,250)
(Increase) decrease in:		
Contributions and grants receivable	(67,194)	(306,089)
Prepaid expenses and other assets	153,295	(106,613)
Restricted cash (Noncurrent)	200,000	-
Security deposits	68,183	(69,129)
Increase (decrease) in:		
Accounts payable and accrued liabilities	<u>41,193</u>	<u>(24,287)</u>
Net cash provided (used) by operating activities	<u>753,728</u>	<u>(585,092)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture, equipment and leasehold improvements	(133,760)	(10,000)
Purchases of investments	<u>(207,421)</u>	<u>-</u>
Net cash used by investing activities	<u>(341,181)</u>	<u>(10,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	-	750
Line of credit repayments	<u>-</u>	<u>(750)</u>
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	412,547	(595,092)
Cash and cash equivalents at beginning of year	<u>394,304</u>	<u>989,396</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 806,851</u>	<u>\$ 394,304</u>

YOUNG SURVIVAL COALITION, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Young Survival Coalition, Inc. (YSC) is a non-profit organization, founded in 1998 and incorporated in the State of New York. YSC is the premier international, non-profit network of breast cancer survivors and supporters dedicated to the concerns and critical issues that are unique to young women and breast cancer. Through action, advocacy and awareness, YSC seeks to educate the medical, research, breast cancer and legislative communities and to persuade them to address breast cancer diagnosed in women ages 40 and under. YSC also serves as a point of contact for young women living with breast cancer.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

Cash and cash equivalents -

YSC considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, YSC maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Contributions and grants receivable -

Contributions and grants receivable are recorded at their net realizable value, which approximates fair value. The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the donor.

Investments -

Investments are recorded at fair value. Unrealized and realized gains and losses are included in interest and investment income in the Statements of Activities and Changes in Net Assets.

Furniture, equipment and leasehold improvements -

Furniture, equipment and leasehold improvements are stated at cost. Furniture and equipment with an acquisition value of \$2,500 (and above) are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. As costs are incurred in developing and enhancing the YSC website, they are capitalized and are amortized over a three year period. Payments for leasehold improvements are amortized over the life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the years ended June 30, 2014 and 2013 totaled \$25,804 and \$16,062, respectively.

Income taxes -

YSC is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. YSC is not a private foundation.

YOUNG SURVIVAL COALITION, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**
(Continued)

Uncertain tax positions -

For the years ended June 30, 2014 and 2013, YSC has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

The Federal Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of YSC and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of YSC and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.
- **Permanently restricted net assets** represent funds restricted by the donor to be maintained in-perpetuity by YSC. As of June 30, 2014 and 2013, YSC had \$200,000 of permanently restricted contributions from donors to be invested in-perpetuity. Interest earned on permanently restricted contributions is recorded as temporarily restricted revenue (during the year earned) and can only be used for the purpose specified by the donor (Notes 3 and 9).

Contributions and grants -

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year notification is received from the donor. Temporarily restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Such funds in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

In-kind contributions -

YSC receives contributions of professional services (pro-bono) considered "in-kind", all in furtherance of its programmatic purposes. During the years ended June 30, 2014 and 2013, contributions of \$66,161 and \$40,880, respectively, representing the fair value of these contributions, have been included in current year revenue (and program services expense) in the accompanying Statements of Activities and Changes in Net Assets. YSC also receives additional in-kind contributions for which an estimate of fair value is not determinable.

YOUNG SURVIVAL COALITION, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Use of 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 the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

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 and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Risks and uncertainties -

YSC invests in various investment securities. Investment securities are exposed to various risks such as interest rates, 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 values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Fair value measurements -

YSC adopted the provisions of FASB ASC 820, *Fair Value Measurements*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. YSC accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

2. INVESTMENTS

Investments consisted of the following at June 30, 2014 and 2013:

	<u>2014</u>		<u>2013</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Mutual Funds	\$ 207,421	\$ 208,686	\$ -	\$ -

Included in interest and investment income are the following:

	<u>2014</u>	<u>2013</u>
Interest and dividends	\$ 1,668	\$ 125
Unrealized gain on investments	<u>1,265</u>	<u>-</u>
TOTAL INTEREST AND INVESTMENT INCOME	\$ 2,933	\$ 125

YOUNG SURVIVAL COALITION, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at June 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Atlanta Programs	\$ -	\$ 8,270
Research Think Tank	-	22,087
Resourcelink/SurvivorLink	-	59,548
Tour de Pink	-	22,472
Annual Conference	-	9,945
Earnings on permanently restricted net assets	8,362	5,831
Affiliate and Outreach Activities	-	36,807
Sync Fund	<u>77,226</u>	<u>50,000</u>
	<u>\$ 85,588</u>	<u>\$ 214,960</u>

4. NET ASSETS RELEASED FROM RESTRICTIONS

The following temporarily restricted net assets were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors:

	<u>2014</u>	<u>2013</u>
Atlanta Programs	\$ 8,270	\$ 93,924
Komen Columbus	-	49,511
Kansas City Programs	-	9,864
Philadelphia Programs	-	32,539
Houston Programs	-	2,311
Research Think Tank	22,087	102,913
Resourcelink/SurvivorLink	59,548	190,953
Tour de Pink	-	24,739
Annual Conference	59,945	132,300
Affiliate Conference	-	35,000
Net uses of (losses on) endowment earnings	175	150
Affiliate and Outreach Activities	36,807	237,251
Minority Outreach	-	8,085
New Jersey Programs	-	3,278
Phoenix Programs	-	4,764
Sync Fund	182,774	-
Time restricted	<u>22,472</u>	<u>25,000</u>
	<u>\$ 392,078</u>	<u>\$ 952,582</u>

5. LEASE COMMITMENTS

On June 19, 2013, YSC entered into a 127-month operating lease agreement (for its principal office space in New York City) which commenced on September 25, 2013 (the actual possession date). As a part of the agreement, YSC was not obligated to pay rent for the first five months of occupancy (beginning on the possession date); further, YSC is not obligated to pay rent for two additional months beginning on the first anniversary of the lease possession date. YSC is required to pay an annual escalation (approximately 2.3%) and its pro-rata share of the building's operating expenses and real estate taxes. As the lease agreement includes an annual escalation and also provides for seven months free rent, generally accepted accounting principles require that the total rent commitment should be recognized on a straight-line basis over the term of the lease.

YOUNG SURVIVAL COALITION, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

5. LEASE COMMITMENTS (Continued)

Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is being deferred (amortized over the term of the lease agreement). As of June 30, 2014, the deferred rent liability aggregated \$105,408.

YSC also leases office space in Atlanta and Indianapolis under agreements expiring between May 31, 2015 and October 31, 2016.

Following is a schedule of future minimum lease payments required under all office leases:

<u>Year Ending June 30,</u>	
2015	\$ 227,696
2016	246,475
2017	234,126
2018	230,521
2019	248,725
Thereafter	<u>1,308,371</u>
	<u>\$ 2,495,914</u>

During the years ended June 30, 2014 and 2013, occupancy expense totaled \$301,212 and \$266,768, respectively.

6. LINE OF CREDIT

YSC maintains a \$150,000 line of credit with a local financial institution. The line of credit bears interest of 6.00% and matures in January 2015. The line of credit is secured by YSC's cash, receivables and capital assets. As of June 30, 2014 and 2013, there were no outstanding borrowings.

7. RETIREMENT PLAN

On January 1, 2006, YSC established a retirement plan (the Plan) under IRS Section 401(k) of the Internal Revenue Code. Participation in the Plan is available to all employees who have completed six months of service and have attained 21 years in age. YSC provides a match for all employee contributions to the Plan on a discretionary basis. During the years ended June 30, 2014 and 2013, YSC contributed \$9,012 and \$7,818, respectively, to the Plan.

8. FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, YSC has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

YOUNG SURVIVAL COALITION, INC.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

8. FAIR VALUE MEASUREMENTS (Continued)

Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market YSC has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at June 30, 2014.

- *Mutual funds* - The fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.

The table below summarizes, by level within the fair value hierarchy, YSC's investments as of June 30, 2014:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Asset Class: Mutual Funds	\$ <u>208,686</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>208,686</u>

9. ENDOWMENT

YSC's endowment consists of donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, YSC classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by YSC in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, YSC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of YSC and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of any investments; and
- Investment policies of YSC.

YOUNG SURVIVAL COALITION, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

9. ENDOWMENT (Continued)

Endowment net asset composition by type of fund as of June 30, 2014:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
TOTAL FUNDS	\$ <u>8,362</u>	\$ <u>200,000</u>
Endowment net assets at fair value, beginning of year	\$ 5,831	\$ 200,000
Net investment (loss) income, net of fees and releases	(175)	2,706
Transfer of net investment income (loss)	<u>2,706</u>	<u>(2,706)</u>
ENDOWMENT NET ASSETS, END OF YEAR	\$ <u>8,362</u>	\$ <u>200,000</u>

Endowment net asset composition by type of fund as of June 30, 2013:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>
TOTAL FUNDS	\$ <u>5,831</u>	\$ <u>200,000</u>
Endowment net assets at fair value, beginning of year	\$ 5,959	\$ 200,000
Net investment (loss) income, net of fees and releases	(150)	22
Transfer of net investment income (loss)	<u>22</u>	<u>(22)</u>
ENDOWMENT NET ASSETS, END OF YEAR	\$ <u>5,831</u>	\$ <u>200,000</u>

Funds with Deficiencies -

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the organization to retain as fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets (there were no deficiencies as of June 30, 2014 and 2013).

Return Objectives and Risk Parameters -

YSC has not adopted investment and spending policies for its endowment assets; its goal is simply to preserve the endowment asset corpus. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as Board-designated funds. As approved by the Board of Directors, the endowment assets are invested conservatively in money market funds in order to ensure minimal or no exposure to market fluctuation. YSC expects its endowment funds, over time, to provide a minimal rate of return; actual returns in any given year may vary from expectation, depending on market conditions.

Spending Policy and How the Investment Objectives Relate to Spending Policy -

YSC does not have a policy of appropriating distributions; until such time when a policy is established, the funds will continue to grow at a minimal level while maintaining the endowment corpus.

YOUNG SURVIVAL COALITION, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

10. SUBSEQUENT EVENTS

In preparing these financial statements, YSC has evaluated events and transactions for potential recognition or disclosure through December 6, 2014, the date the financial statements were issued.

SUPPLEMENTAL INFORMATION

YOUNG SURVIVAL COALITION, INC.

SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Supporting Services</u>			<u>Total Supporting Services</u>	<u>Total Expenses</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>		
Salaries and related benefits	\$ 1,756,939	\$ 475,553	\$ 158,424	\$ 633,977	\$ 2,390,916
Printing and production	84,107	6,974	9,216	16,190	100,297
Professional fees	79,465	125,135	26,055	151,190	230,655
Occupancy	184,511	53,046	63,655	116,701	301,212
Moving expenses	16,362	4,813	5,775	10,588	26,950
Insurance	9,764	2,494	3,314	5,808	15,572
Depreciation	15,667	4,608	5,529	10,137	25,804
Telecommunications	49,098	14,062	17,001	31,063	80,161
Travel, meals and entertainment	117,546	19,146	19,742	38,888	156,434
Consulting fees	113,009	78,970	69,895	148,865	261,874
Postage and delivery	38,569	3,119	8,032	11,151	49,720
Supplies	15,046	3,878	7,517	11,395	26,441
Subscriptions and publications	11,489	578	2,205	2,783	14,272
Advertising and promotion	9,771	217	2,341	2,558	12,329
Conferences, meetings and events	537,876	7,147	104,235	111,382	649,258
Bank, credit card and payroll processing fees	55,486	9,190	19,226	28,416	83,902
Equipment and rental	12,558	2,718	3,436	6,154	18,712
Grants, gifts and scholarships	80,736	241	652	893	81,629
Sales tax	411	121	145	266	677
Cost of goods sold/distributed	7,522	3,123	187	3,310	10,832
Uncollectible pledges	2,320	12,258	580	12,838	15,158
Licenses, registrations and permits	3,959	869	1,369	2,238	6,197
TOTAL	\$ 3,202,211	\$ 828,260	\$ 528,531	\$ 1,356,791	\$ 4,559,002

YOUNG SURVIVAL COALITION, INC.

SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Supporting Services</u>			<u>Total Supporting Services</u>	<u>Total Expenses</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>		
Salaries and related benefits	\$ 1,812,102	\$ 317,304	\$ 178,837	\$ 496,141	\$ 2,308,243
Printing and production	43,341	1,146	5,710	6,856	50,197
Professional fees	81,117	138,963	25,171	164,134	245,251
Occupancy	168,131	45,320	53,317	98,637	266,768
Insurance	8,503	2,295	2,700	4,995	13,498
Depreciation	10,119	2,731	3,212	5,943	16,062
Telecommunications	34,372	8,708	10,781	19,489	53,861
Travel, meals and entertainment	181,003	25,757	12,377	38,134	219,137
Consulting fees	254,354	63,803	37,365	101,168	355,522
Postage and delivery	35,702	2,189	13,156	15,345	51,047
Supplies	14,313	2,994	3,640	6,634	20,947
Subscriptions and publications	15,051	220	1,091	1,311	16,362
Advertising and promotion	251	195	29	224	475
Conferences, meetings and events	709,559	257	182,234	182,491	892,050
Bank, credit card and payroll processing fees	66,079	5,899	21,678	27,577	93,656
Interest expense	897	242	285	527	1,424
Equipment and rental	14,701	3,501	4,119	7,620	22,321
Grants, gifts and scholarships	70,898	120	156	276	71,174
Sales tax	1,258	339	399	738	1,996
Cost of goods sold/distributed	9,945	-	1,321	1,321	11,266
Uncollectible pledges	-	27,393	-	27,393	27,393
Licenses, registrations and permits	5,980	1,845	1,898	3,743	9,723
TOTAL	\$ 3,537,676	\$ 651,221	\$ 559,476	\$ 1,210,697	\$ 4,748,373