

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA**

**FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION**

June 30, 2011 and 2010

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
June 30, 2011 and 2010

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FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Members of the Audit Committee
The Young Women's Christian Association of Palm Beach County, Florida
West Palm Beach, Florida

We have audited the accompanying statements of financial position of The Young Women's Christian Association of Palm Beach County, Florida (a not-for-profit organization) (the "Organization") as of June 30, 2011 and 2010, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Young Women's Christian Association of Palm Beach County, Florida as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2011 on our consideration of The Young Women's Christian Association of Palm Beach County, Florida's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

The Young Women's Christian Association of Palm Beach County, Florida

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of Federal awards and state financial assistance is presented for purposes of additional analysis, the Federal portion of which is required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the financial statements. Further, the schedule of local financial assistance is 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.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
December 19, 2011

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
STATEMENT OF FINANCIAL POSITION
June 30, 2011

A S S E T S

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 371,440	\$ 38,780	\$ 410,220
Receivables:			
Pledges	-	159,000	159,000
Grants	347,464	-	347,464
Other	3,744	-	3,744
Prepaid expenses	28,101	-	28,101
	<u>750,749</u>	<u>197,780</u>	<u>948,529</u>
Total current assets			
Investments	7,040	-	7,040
Deposits	16,356	-	16,356
Property and equipment, net of accumulated depreciation (Note 5)	<u>1,025,716</u>	<u>-</u>	<u>1,025,716</u>
Total assets	<u>\$ 1,799,861</u>	<u>\$ 197,780</u>	<u>\$ 1,997,641</u>

L I A B I L I T I E S A N D N E T A S S E T S

LIABILITIES:			
Current liabilities:			
Accounts payable	\$ 149,178	\$ -	\$ 149,178
Accrued expenses	<u>104,959</u>	<u>-</u>	<u>104,959</u>
Total liabilities	<u>254,137</u>	<u>-</u>	<u>254,137</u>

COMMITMENTS AND CONTINGENCIES (Notes 5, 6 and 8)	-	-	-
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NET ASSETS:			
Unrestricted	1,545,724	-	1,545,724
Temporarily restricted (Note 7)	<u>-</u>	<u>197,780</u>	<u>197,780</u>
Total net assets	<u>1,545,724</u>	<u>197,780</u>	<u>1,743,504</u>
Total liabilities and net assets	<u>\$ 1,799,861</u>	<u>\$ 197,780</u>	<u>\$ 1,997,641</u>

The accompanying notes to financial statements are an integral part of these statements.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
PUBLIC SUPPORT, REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS:			
Grants	\$ 1,666,683	\$ -	\$ 1,666,683
Contributions	132,912	197,780	330,692
Contract services:			
Family Central	217,049	-	217,049
Special events, net of direct costs of \$ 22,369	120,093	-	120,093
Program services fees	70,049	-	70,049
In-kind contributions	37,666	-	37,666
Other	11,793	-	11,793
Investment income	1,370	-	1,370
Net assets released from restrictions	<u>253,595</u>	<u>(253,595)</u>	<u>-</u>
 Total public support, revenue and net assets released from restrictions	 <u>2,511,210</u>	 <u>(55,815)</u>	 <u>2,455,395</u>
 EXPENSES:			
Program services:			
Harmony House	1,266,912	-	1,266,912
Child development	1,041,234	-	1,041,234
Youth program	15,223	-	15,223
Racial justice	21,600	-	21,600
 Total program services	 <u>2,344,969</u>	 <u>-</u>	 <u>2,344,969</u>
Supporting services:			
Management and general	82,471	-	82,471
Fundraising	82,096	-	82,096
 Total supporting services	 <u>164,567</u>	 <u>-</u>	 <u>164,567</u>
 Total expenses	 <u>2,509,536</u>	 <u>-</u>	 <u>2,509,536</u>
 Change in net assets	 1,674	 (55,815)	 (54,141)
 NET ASSETS, beginning of the year	 <u>1,544,050</u>	 <u>253,595</u>	 <u>1,797,645</u>
 NET ASSETS, end of the year	 <u>\$ 1,545,724</u>	 <u>\$ 197,780</u>	 <u>\$ 1,743,504</u>

The accompanying notes to financial statements are an integral part of these statements.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2010**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
PUBLIC SUPPORT, REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS:			
Grants	\$ 1,601,053	\$ -	\$ 1,601,053
Contributions	395,951	206,817	602,768
Contract services:			
Family Central	235,555	-	235,555
Special events, net of direct costs of \$ 23,150	129,519	-	129,519
Program services fees	76,778	-	76,778
In-kind contributions	29,259	-	29,259
Other	7,628	-	7,628
Investment income	5,908	-	5,908
Net assets released from restrictions	591,258	(591,258)	-
 Total public support, revenue and net assets released from restrictions	3,072,909	(384,441)	2,688,468
 EXPENSES:			
Program services:			
Harmony House	1,217,770	-	1,217,770
Child development	1,063,755	-	1,063,755
Youth program	24,475	-	24,475
Racial justice	25,180	-	25,180
 Total program services	2,331,180	-	2,331,180
Supporting services:			
Management and general	81,228	-	81,228
Fundraising	71,024	-	71,024
 Total supporting services	152,252	-	152,252
 Total expenses	2,483,432	-	2,483,432
 Change in net assets	589,477	(384,441)	205,036
 NET ASSETS, beginning of the year	954,573	638,036	1,592,609
 NET ASSETS, end of the year	\$ 1,544,050	\$ 253,595	\$ 1,797,645

The accompanying notes to financial statements are an integral part of these statements.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2011**

	Program Expenses				Total Program Expenses	Supporting Services			Total
	Harmony House	Child Development	Youth Program	Racial Justice		Management and General	Fundraising	Total Supporting Services	
PERSONNEL COSTS:									
Salaries	\$ 640,338	\$ 581,750	\$ 10,978	\$ -	\$ 1,233,066	\$ 42,601	\$ 40,386	\$ 82,987	\$ 1,316,053
Payroll taxes	67,887	62,271	1,463	-	131,621	3,715	4,206	7,921	139,542
Employee benefits	60,639	62,512	-	-	123,151	4,373	1,393	5,766	128,917
Total personnel costs	768,864	706,533	12,441	-	1,487,838	50,689	45,985	96,674	1,584,512
OTHER EXPENSES:									
Rent	124,346	42,574	-	-	166,920	3,762	3,292	7,054	173,974
Utilities	71,249	31,003	-	-	102,252	405	331	736	102,988
Food	8,003	86,478	804	16	95,301	-	-	-	95,301
Consulting services	23,458	25,606	303	17,200	66,567	1,566	6,205	7,771	74,338
Repair and maintenance	30,373	33,830	-	-	64,203	399	232	631	64,834
Insurance	33,571	19,110	-	-	52,681	3,902	70	3,972	56,653
Supplies	28,211	14,067	107	2,075	44,460	27	6,079	6,106	50,566
Telephone/advertising	29,717	10,104	-	147	39,968	3,255	3,409	6,664	46,632
Equipment and rental repairs and leases	20,999	11,257	-	205	32,461	812	390	1,202	33,663
Office supplies and expense	8,668	7,537	-	7	16,212	1,949	7,573	9,522	25,734
Professional services	10,902	9,790	-	-	20,692	1,558	-	1,558	22,250
Travel	16,186	3,049	905	-	20,140	402	342	744	20,884
Payment to affiliated organization	9,901	8,244	-	-	18,145	561	-	561	18,706
Meeting and training	6,116	4,495	-	-	10,611	3,789	-	3,789	14,400
Miscellaneous	3,973	988	328	-	5,289	4,077	2,781	6,858	12,147
Dues and subscription	3,773	1,050	-	800	5,623	2,639	-	2,639	8,262
Assistance to individuals	6,708	-	-	-	6,708	-	-	-	6,708
Licenses and taxes	2,764	2,224	-	-	4,988	1,063	575	1,638	6,626
Vehicle expense	4,828	341	-	-	5,169	-	-	-	5,169
Printing	996	806	-	-	1,802	4	3,129	3,133	4,935
Postage and shipping	1,626	580	5	-	2,211	636	1,703	2,339	4,550
Special events	-	75	-	1,150	1,225	766	-	766	1,991
Total expenses before provision for depreciation	1,215,232	1,019,741	14,893	21,600	2,271,466	82,261	82,096	164,357	2,435,823
Provision for depreciation	51,680	21,493	330	-	73,503	210	-	210	73,713
Total expenses	\$ 1,266,912	\$ 1,041,234	\$ 15,223	\$ 21,600	\$ 2,344,969	\$ 82,471	\$ 82,096	\$ 164,567	\$ 2,509,536

The accompanying notes to financial statements are an integral part of these statements.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2010**

	Program Expenses				Total Program Expenses	Supporting Services			Total
	Harmony House	Child Development	Youth Program	Racial Justice		Management and General	Fundraising	Total Supporting Services	
PERSONNEL COSTS;									
Salaries	\$ 620,188	\$ 611,889	\$ 19,420	\$ 1,310	\$ 1,252,807	\$ 40,174	\$ 31,705	\$ 71,879	\$ 1,324,686
Payroll taxes	63,536	64,013	2,210	127	129,886	4,058	3,246	7,304	137,190
Employee benefits	59,442	59,901	-	-	119,343	4,150	1,270	5,420	124,763
Total personnel costs	743,166	735,803	21,630	1,437	1,502,036	48,382	36,221	84,603	1,586,639
OTHER EXPENSES:									
Rent	110,750	41,714	-	-	152,464	6,300	1,372	7,672	160,136
Food	6,264	85,762	960	1,726	94,712	148	-	148	94,860
Utilities	60,349	31,939	-	-	92,288	362	134	496	92,784
Repair and maintenance	43,282	35,984	-	-	79,266	584	-	584	79,850
Consulting services	18,294	22,437	512	19,740	60,983	1,379	7,412	8,791	69,774
Insurance	30,082	17,898	-	-	47,980	4,851	12	4,863	52,843
Office supplies and expense	17,630	6,092	-	597	24,319	5,038	17,072	22,110	46,429
Telephone/advertising	20,789	10,885	-	-	31,674	2,685	3,194	5,879	37,553
Supplies	23,987	11,471	482	202	36,142	-	442	442	36,584
Equipment and rental repairs and leases	16,050	7,685	-	-	23,735	913	580	1,493	25,228
Assistance to individuals	23,084	-	-	-	23,084	-	-	-	23,084
Professional services	10,658	9,570	-	-	20,228	1,523	-	1,523	21,751
Travel	17,494	2,785	124	-	20,403	254	48	302	20,705
Meeting and training	8,836	8,106	-	309	17,251	3,174	-	3,174	20,425
Payment to affiliated organization	7,820	6,467	-	-	14,287	442	-	442	14,729
Vehicle expense	6,907	1,603	-	-	8,510	-	-	-	8,510
Miscellaneous	2,983	595	110	-	3,688	2,030	982	3,012	6,700
Dues and subscriptions	3,816	756	-	-	4,572	1,470	-	1,470	6,042
Postage and shipping	2,281	647	23	168	3,119	358	1,539	1,897	5,016
Licenses and taxes	1,164	1,993	-	-	3,157	300	560	860	4,017
Special events	-	1,380	216	1,001	2,597	-	-	0	2,597
Printing	-	675	-	-	675	-	1,456	1,456	2,131
Total expenses before provision for depreciation	1,175,686	1,042,247	24,057	25,180	2,267,170	80,193	71,024	151,217	2,418,387
Provision for depreciation	42,084	21,508	418	-	64,010	1,035	-	1,035	65,045
Total expenses	\$ 1,217,770	\$ 1,063,755	\$ 24,475	\$ 25,180	\$ 2,331,180	\$ 81,228	\$ 71,024	\$ 152,252	\$ 2,483,432

The accompanying notes to financial statements are an integral part of these statements.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (54,141)	\$ 205,036
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Provision for depreciation	73,713	65,045
Unrealized (gain) loss on investments	21	(230)
Contribution of property and equipment	(10,400)	-
(Increase) decrease in assets:		
Pledges receivable	47,817	(12,750)
Grants receivable	(66,165)	(44,428)
Other receivable	11,475	(13,199)
Prepaid expenses	1,527	(3,723)
Deposits	(2,832)	(5,000)
Increase (decrease) in liabilities:		
Accounts payable	79,846	9,215
Accrued expenses	2,941	12,890
Deferred revenue	-	(9,532)
	<u>83,802</u>	<u>203,324</u>
Net cash provided by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	-	147,587
Purchases of property and equipment	(119,292)	(550,351)
	<u>(119,292)</u>	<u>(402,764)</u>
Net cash used in investing activities		
	<u>(119,292)</u>	<u>(402,764)</u>
Net decrease in cash	(35,490)	(199,440)
CASH AND CASH EQUIVALENTS, beginning of the year	<u>445,710</u>	<u>645,150</u>
CASH AND CASH EQUIVALENTS, end of the year	\$ <u><u>410,220</u></u>	\$ <u><u>445,710</u></u>

The accompanying notes to financial statements are an integral part of these statements.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010**

NOTE 1 - ORGANIZATION AND OPERATIONS

The Young Women's Christian Association of Palm Beach County, Florida (the "Organization") is a not-for-profit corporation organized under the laws of the State of Florida in March 1971 exclusively for charitable, benevolent, education and religious purposes, and to create women's growth, leadership and power in order to attain a common vision for peace, justice, freedom and dignity for all people.

The Organization's operations include supportive housing and counseling for abused women and children, child care for economically disadvantaged children and various health, education and recreational programs. The Organization receives grants and contributions from government agencies, individuals, foundations and other charitable organizations. For the years ended June 30, 2011 and 2010, approximately 68% and 59%, respectively, of the Organization's operating revenues were from grants.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation:

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) No. 958, *Not-for-Profit Entities*. ASC No. 958 requires the classification of an organization's net assets, its revenue and expenses, and gains and losses based on the existence or absence of donor-imposed restrictions. It requires the amounts for each of the three classes of net assets (permanently restricted, temporarily restricted and unrestricted) be displayed in a statement of financial position and that the amounts of the change in each of the three classes of net assets be displayed in a statement of activities. The Organization does not have any donor-imposed permanently restricted net assets. Unrestricted net assets are presently available for use by the Organization at the discretion of the Board of Directors.

Accounting estimates:

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

Cash and cash equivalents:

The Organization considers all liquid investments having initial maturities of three months or less to be cash equivalents. The Organization maintains cash balances at financial institutions which occasionally exceed Federally insured amounts.

Revenue recognition:

The Organization receives various grants from Federal, state and local agencies for program and supporting service expenses. These grants are on a cost reimbursement basis or fee for service, including recoverable overhead. Revenue from grants is deemed earned and recognized in the statement of activities when expenditures are made for the purpose specified for allowed costs. Grant funds, if received in advance but which have not been expended for the purpose specified, are reported as deferred revenue until expended.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Program service fees are recognized as revenue in the period in which the related services commence. Fees collected prior to the commencement of the program are recognized as deferred revenue.

Special events revenue is recognized as revenue at the time of the event. Tickets sold prior to the event are reported as deferred revenue.

Allowance for doubtful accounts:

Management periodically reviews the grant receivable balances and provides an allowance for accounts which may be uncollectible. At June 30, 2011 and 2010, management considers all of the grant receivables to be collectible within the current accounting period and an allowance for doubtful accounts has not been recorded.

Contributions:

The Organization follows guidance of Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 958, *Not-for-Profit Entities*. Contributions received, including unconditional promises, are recognized as revenues when the donor's commitment is received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support which are amounts received that are stipulated by the donor to be maintained in perpetuity. However, if a temporary restriction is fulfilled in its entirety, in the time period in which the contribution is received, the Organization reports the support as unrestricted. The Organization does not have any donor-imposed permanently restricted net assets.

When a restriction expires, restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Promises to give:

Unconditional promises to give (pledges) are recognized as revenues and as assets in the period received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. However, a promise that contains a condition is considered to be unconditional if the possibility that the condition will not be met is remote. Unconditional promises to give are recorded at net present value, using risk-free interest rates applicable to the years in which the promises to give are received. Amortization of the discounts related to pledges receivable are recognized over the period of the promise as contribution revenue. As of June 30, 2011 and 2010, the promises to give (pledges) were due within the year. All promises to give (pledges) are collectible and no allowance for doubtful promises is necessary.

Investments:

The Organization follows guidance of Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 958, *Not-for-Profit Entities*, which requires that investments in equity securities with readily determinable fair values and all investments in debt securities be measured at fair value in the statement of financial position, with gains or losses included in the statement of activities.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial risk:

The Organization's investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with such investments and the uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in the near term would affect investment balances and the amounts reported in the financial statements.

Donated services and materials:

Donated services are recognized as contributions in accordance with ASC No. 958, if the services; (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise have been purchased. In addition, several businesses have donated goods and services. Donated services and materials are reflected in the financial statements at their estimated fair value at the date of receipt. However, many individuals volunteer their time and perform a variety of tasks that do not require specialized skills to assist the Organization to carry out its mission, and the value of these services is not recorded.

Income taxes:

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Functional allocation of expenses:

The cost of providing the program and other activities of the Organization has been summarized in the accompanying statements of activities and functional expenses on a functional basis. Accordingly, certain costs have been allocated among the program and supporting services benefitted. The costs are allocated on the basis of each respective program's direct cost to the total of all direct costs, excluding property and equipment acquisitions.

Property and equipment:

Property and equipment are stated at cost or, if donated, at fair value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets:

Furniture, fixtures and equipment	5-15 years
Building and improvements	7-27 years
Vehicles	5-7 years
Land improvements	7-27 years
Leasehold improvements	7-39 years

It is the Organization's policy to capitalize property and equipment over \$ 500 with a useful life greater than one year.

Donations of property and equipment are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Without donor stipulations regarding how long these donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated assets are placed in service, reclassifying temporarily restricted net assets to unrestricted net assets at that time. The Organization received \$ 10,400 in donated property and equipment for the year ending June 30, 2011, and did not receive any donated property and equipment for the year ending June 30, 2010.

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint costs of fundraising appeals:

The Organization utilizes various pamphlets, brochures and informational methods to inform the general public of their activities and to solicit funds. These costs are charged to fundraising.

Reclassifications:

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Date of Management's Review:

Subsequent events have been evaluated through December 19, 2011, which is the date the financial statements were available to be issued.

NOTE 3 - INVESTMENTS

Investments consist of mutual funds of \$ 7,040 and \$ 7,061 for the years ended June 30, 2011 and 2010, respectively.

Investment income is composed of the following:

	2011	2010
Interest and dividend income	\$ 1,391	\$ 5,678
Realized/unrealized gains/(losses) on investments	(21)	230
	\$ 1,370	\$ 5,908

NOTE 4 - FAIR VALUE MEASUREMENT

The Organization follows the Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 820, *Fair Value Measurement and Disclosures*, for fair value measurement of financial instruments that are recognized and disclosed at fair value in the financial statements on a recurring basis. ASC No. 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical investments that the Organization has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included with Level 1 that are observable for the investments, either directly or indirectly. (e.g. quoted prices in active markets for similar securities, securities valuations based on commonly quoted benchmarks, interest rates and yield curves, and/or securities indices.)

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010**

NOTE 4 - FAIR VALUE MEASUREMENT (continued)

- Level 3 inputs are unobservable inputs for the investments. (e.g. information about assumptions, including risk, market participants would use in pricing a security.)

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table represents the investments, as held by the Organization at June 30, 2011:

ASSET CLASS:	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ <u>7,040</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>7,040</u>

The following table represents the investments, as held by the Organization at June 30, 2010:

ASSET CLASS:	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ <u>7,061</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>7,061</u>

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Furniture, fixtures and equipment	\$ 764,928	\$ 753,253
Building and improvements	990,397	984,396
Vehicles	153,472	153,472
Land improvements	144,794	144,794
Leasehold improvements	76,830	72,970
	<u>2,130,421</u>	<u>2,108,885</u>
Less accumulated depreciation	1,315,862	1,242,148
	<u>814,559</u>	<u>866,737</u>
Land	103,000	103,000
Construction in progress	108,157	-
	<u>\$ 1,025,716</u>	<u>\$ 969,737</u>

Provision for depreciation for the years ended June 30, 2011 and 2010 was \$ 73,713 and \$ 65,045, respectively.

The Organization, as a condition of certain grants, has no authority over the disposition of certain assets and must receive permission from the grantor prior to selling or disposing of any assets paid for with certain Federal, state and local funding.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010**

NOTE 6 - LEASE COMMITMENTS

The Organization leases space for its administrative office at \$ 3,919 per month plus common area maintenance through July 2013 and its child care program at \$ 3,650 per month including utilities through March 2013. The Organization also leases office equipment at \$ 1,700 per month through July 2014. In addition, thirteen apartments are leased, for a total of \$ 8,142 monthly, with lease terms extending through May 2012. Total rent expense for the years ended June 30, 2011 and 2010 was \$ 196,082 and \$ 183,890, respectively.

The following is a schedule of the estimated future minimum lease payments, excluding common area maintenance charges on operating leases as of June 30, 2011:

Year Ending June 30,		
2012	\$	187,600
2013	\$	90,400
2014	\$	24,300
2015	\$	1,700
Thereafter	\$	NONE

NOTE 7 - NET ASSETS

Temporarily restricted net assets as of June 30, 2011 and 2010 are available for the following time and/or purpose restrictions:

	2011	2010
Cash, cash equivalents, and investments for acquisition of:		
Computer equipment	\$ 38,780	\$ -
Harmony House	-	46,778
United Way allocation for next year	159,000	206,817
 Total temporarily restricted net assets	 \$ 197,780	 \$ 253,595

Net assets were released from donor restrictions by incurring expenditures satisfying the purpose or time restrictions specified by donors as follows:

	2011	2010
Time and purpose restrictions expired on United Way allocations	\$ 206,817	\$ 194,067
Acquisition of property and equipment	46,778	397,191
	\$ 253,595	\$ 591,258

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2011 and 2010**

NOTE 8 - SUPPORT FROM OUTSIDE AGENCIES (continued)

The Organization receives a substantial amount of its support from government and other grants. Hence, these grants require documentation to be maintained and fulfillment of certain conditions. Failure to fulfill the conditions set forth in the grant documents could result in the loss of funds from these grantors. A significant reduction in the level of this support, if this were to occur, may have a significant effect on the Organization's services and activities.

Program expenditures made by the Organization are subject to additional audit by grantor agencies. As a result of such audits, the grantor may require that amounts be returned. In certain instances, the grantor may increase its grant of funds to the Organization to offset amounts which would otherwise be refundable based on audits.

NOTE 9 - RELATED PARTY TRANSACTIONS

The Organization is an affiliate of The Young Women's Christian Association of the USA, Inc. (the "National Organization") and the Southeast Regional Council. Affiliates are required to remit a percentage of specified revenues and support to the Southeast Regional Council. For the years ended June 30, 2011 and 2010, \$ 18,706 and \$ 14,729 was paid to the Southeast Regional Council, respectively.

The Organization previously purchased office supplies from a vendor whose owner is also a member of the Board of Directors. During the year ended June 30, 2010, the Organization paid the vendor \$ 6,829. Beginning July 1, 2010, the Organization no longer purchases office supplies from this related party.

NOTE 10 - PENSION PLAN

The Organization provides retirement benefits for eligible employees as a participating employer-sponsor of the YWCA Retirement Fund, Inc. ("the Fund"). The Fund was established as a complete, separate and independent entity and is an employer-sponsored cash balance defined benefit plan qualified under Section 401(a) of the Internal Revenue Code. As of June 30, 2011 and 2010, the Organization's Board of Directors elected to contribute \$ 54,877 and \$ 53,415, respectively to the Fund. In addition, the Fund provided an additional contribution equal to 2% of the eligible employee's compensation.

The actuarial present value of the benefit obligation and fair value of plan assets are not available separately for each employer that participates in the Plan.

NOTE 11 - SUPPLEMENTAL CASH FLOW INFORMATION

Supplemental Disclosure of Other Cash Flow Information:

	<u>2011</u>	<u>2010</u>
Cash received during the year for -		
Interest income	\$ 1,391	\$ 5,678
Cash paid during the year for -		
Interest expense	\$ 400	\$ 297

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
 June 30, 2011 and 2010

NOTE 11 – SUPPLEMENTAL CASH FLOW INFORMATION (continued)

Noncash Investing and Financing Activities:

	2011	2010
Acquisition of property and equipment - Cost of property and equipment	\$ 129,692	\$ 550,351
Less contribution of property and equipment (Note 8)	10,400	-
Cash paid for property and equipment	\$ 119,292	\$ 550,351

SUPPLEMENTAL INFORMATION

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2011**

<u>Federal/State Agency, Pass-through Entity, Federal Program/State Project</u>	<u>CFDA/ CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
FEDERAL AGENCY NAME:				
Direct Programs:				
United States Department of Housing and Urban Development -				
Emergency Shelter Grants Program	14.231	FL0282B4D050802	\$ 192,520	\$ -
	14.231	FL0282B4D051003	17,089	-
Indirect Programs:				
United States Department of Health and Human Services -				
Passed through Palm Beach County				
Head Start	* 93.600	R2010-1509 and R2009-1482	353,841	-
ARRA - Head Start	* 93.708	R2009-1958	2,577	-
Passed through Florida Coalition Against Domestic Violence -				
Temporary Assistance for Needy Families	93.558	11-2232	207,735	-
Family Violence Prevention and Services	93.671	11-2232	85,748	-
Domestic Violence Prevention	93.136	10/11-CDC/DELTA	24,988	-
	93.136	11/12-CDC/DELTA	17,777	-
United States Department of Agriculture - Passed through State of Florida				
Department of Health				
Child and Adult Care Food Program	10.558	S-651-2009/2010	24,184	-
	10.558	S-651-2010/2011	80,089	-

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
 (continued)
 For the Year Ended June 30, 2011

Federal/State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
FEDERAL AGENCY NAME:				
Indirect programs (continued):				
Florida Department of Law Enforcement - Passed through Palm Beach County Criminal Justice Commission Justice Assistance Grant - ARRA	16.738	R-2010-1922	9,072	-
United States Department of Justice - Passed through State of Florida Office of the Attorney General Crime Victim Assistance	16.575 16.575	V10017 V09017	14,896 5,757	- -
United States Department of Housing and Urban Development - Passed through Palm Beach County Department of Housing and Community Development Emergency Shelter Grants Program	14.231	R-2009-1895	5,668	-
United States Department of Justice - Passed through Palm Beach County Sherriff's Office Rural Domestic Violence, Dating Violence Sexual Assault and Stalking Assistance Program	16.589	2008-WR-AX-0044	2,650	-
Total expenditures of Federal Awards			\$ 1,044,591	\$ -

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
 (continued)
 For the Year Ended June 30, 2011

Federal/State Agency, Pass-through Entity, Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Expenditures	Transfers to Subrecipients
STATE AGENCY NAME:				
Indirect Projects:				
State of Florida Department of Children and Families -				
Passed through Florida Coalition Against Domestic Violence				
Domestic Violence Trust Fund	**	11-2232	\$ 101,581	\$ -
General Revenue	**	11-2232	91,759	-
Hazard Mitigation Grant Program	52.016	DEM-2232	<u>108,157</u>	<u>-</u>
Total expenditures of state financial assistance			<u>\$ 301,497</u>	<u>\$ -</u>

* Denotes a major program. In addition, these programs are considered a "Cluster of Programs" per OMB A-133 "Compliance Supplement" and constitute one major program.

** Unable to determine CSFA number

THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
June 30, 2011

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal awards and state financial assistance includes the Federal and state grant activity of the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
 OF PALM BEACH COUNTY, FLORIDA
 SCHEDULE OF LOCAL FINANCIAL ASSISTANCE
 For the Year Ended June 30, 2011**

<u>Grantor</u>	<u>Program Title</u>	<u>Contract/Grant Number</u>	<u>Expenditures</u>
LOCAL FINANCIAL ASSISTANCE:			
Family Central	School Readiness	-	\$ 217,049
Palm Beach County Board of County Commissioners	Head Start	R2010-1509 and R2009-1482	184,243
	Harmony House	R2009-1872 and R2010-1980	<u>114,053</u>
			<u>\$ 515,345</u>

NOTE: This schedule was prepared on the accrual basis of accounting.



INTERNAL CONTROLS AND COMPLIANCE



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors and Members of the Audit Committee
The Young Women's Christian Association of Palm Beach County, Florida
West Palm Beach, Florida

We have audited the financial statements of The Young Women's Christian Association of Palm Beach County, Florida (the "Organization") as of and for the year ended June 30, 2011, and have issued our report thereon dated December 19, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Young Women's Christian Association of Palm Beach County, Florida

This report is intended solely for the information and use of the Board of Directors, management, members of the audit committee, Federal and state awarding agencies and other pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
December 19, 2011



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors and Members of the Audit Committee
The Young Women's Christian Association of Palm Beach County, Florida
West Palm Beach, Florida

Compliance

We have audited the compliance of The Young Women's Christian Association of Palm Beach County, Florida (the "Organization") with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, that could have a direct and material effect on each of the Organization's major Federal programs for the year ended June 30, 2011. The Organization's major Federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major Federal programs is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Organization's compliance with those requirements.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2011.

Internal Control over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

The Young Women's Christian Association of Palm Beach County, Florida

A *deficiency in internal control* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of management, the Board of Directors, management, members of the audit committee, Federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
December 19, 2011

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011**

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of The Young Women's Christian Association of Palm Beach County, Florida
2. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of The Young Women's Christian Association of Palm Beach County, Florida were disclosed during the audit.
4. No material weaknesses relating to the audit of the major Federal programs are reported in the Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major Federal programs for The Young Women's Christian Association of Palm Beach County, Florida expresses an unqualified opinion.
6. There are no audit findings relative to the major Federal programs for The Young Women's Christian Association of Palm Beach County, Florida reported in Part C of this schedule.
7. The programs tested as major programs were as follows:

<u>Federal Program</u>	<u>CFDA No.</u>
United States Department of Health and Human Services -	
Head Start	93.600
Head Start - ARRA	93.708

8. The threshold for distinguishing Types A and B programs was \$ 300,000.
9. The Young Women's Christian Association of Palm Beach County, Florida was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS

No matters were reported.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS

No matters were reported.

**THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION
OF PALM BEACH COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(continued)
For the Year Ended June 30, 2011**

D. OTHER ISSUES

1. No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal Programs.
2. No corrective action plan is required because there were no findings reported under OMB Circular A-133.
3. A separate management letter was not issued.