



*Young Women's Christian Association
of Gettysburg and Adams County*

Financial Report

June 30, 2008

*Young Women's Christian Association
of Gettysburg and Adams County*

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June 30, 2008 and 2007

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Independent Auditor's Report

To the Board of Directors
Young Women's Christian Association
of Gettysburg and Adams County

We have audited the accompanying statements of financial position of Young Women's Christian Association of Gettysburg and Adams County (Association) as of June 30, 2008 and 2007, and the related statements of activities, changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Association'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. 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 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 Young Women's Christian Association of Gettysburg and Adams County as of June 30, 2008 and 2007, 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.

Beard Miller Company LLP

Beard Miller Company LLP
York, Pennsylvania
November 26, 2008

*Young Women's Christian Association
of Gettysburg and Adams County*

Statements of Financial Position
June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Assets		
Current Assets		
Cash	\$ 71,425	\$ 36,405
Accounts receivable	69,088	53,731
Promises to give	61,100	36,400
Grant receivable	-	9,000
Prepaid expenses	5,598	8,638
	<hr/>	<hr/>
Total Current Assets	207,211	144,174
Property and Equipment, Net	3,428,846	3,263,929
Promises to Give	20,000	-
Investments	37,742	57,903
Beneficial Interest in Perpetual Trusts	<hr/>	<hr/>
	700,083	759,433
	<hr/>	<hr/>
Total Assets	<u><u>\$4,393,882</u></u>	<u><u>\$4,225,439</u></u>

See notes to financial statements.

	<u>2008</u>	<u>2007</u>
Liabilities and Net Assets		
Current Liabilities		
Line of credit	\$ 148,000	\$ 125,786
Current maturities of notes payable	49,224	2,955
Current portion of obligations under capital lease	20,653	9,112
Accounts payable	115,116	102,671
Accrued payroll and vacation	75,500	33,718
Payroll taxes withheld and accrued	5,457	4,538
Accrued expenses	15,550	1,821
Deferred revenue	185,834	157,422
Accrued interest payable	3,349	-
Total Current Liabilities	618,683	438,023
Obligations under Capital Lease	31,020	16,051
Notes Payable	1,503,064	1,256,073
Total Liabilities	2,152,767	1,710,147
Net Assets		
Unrestricted	1,329,746	1,605,895
Temporarily restricted	120,892	60,840
Permanently restricted	790,477	848,557
Total Restricted	911,369	909,397
Total Net Assets	2,241,115	2,515,292
Total Liabilities and Net Assets	\$4,393,882	\$4,225,439

*Young Women's Christian Association
of Gettysburg and Adams County*

Statements of Activities

Years Ended June 30, 2008 and 2007

	2008			Totals
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Support				
Contributions	\$ 44,317	\$113,828	\$10,326	\$ 168,471
Grants	58,702	-	-	58,702
Fundraising	46,364	-	-	46,364
Trust	30,145	-	-	30,145
In-kind contributions	21,743	-	-	21,743
United Way	991	-	-	991
Net assets released from restrictions	53,776	(53,776)	-	-
Total Support	256,038	60,052	10,326	326,416
Revenue				
Child care	1,274,474	-	-	1,274,474
Rec passes	374,245	-	-	374,245
Elderhostel	446,433	-	-	446,433
Health promotion	146,553	-	-	146,553
Membership dues	120,348	-	-	120,348
Aquatic programs	66,423	-	-	66,423
Rental income	47,884	-	-	47,884
Miscellaneous income	37,568	-	-	37,568
Community Service, net of direct expenses of \$24,564	7,393	-	-	7,393
Interest and dividends	1,868	-	-	1,868
Loss on sale of investments	-	-	(2,011)	(2,011)
Total Revenue	2,523,189	-	(2,011)	2,521,178
Total Support and Revenue	2,779,227	60,052	8,315	2,847,594

See notes to financial statements.

*Young Women's Christian Association
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Statements of Activities

Years Ended June 30, 2008 and 2007

	2008			Totals
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Expenses				
Program services	\$2,641,434	\$ -	\$ -	\$2,641,434
Supporting services:				
Management and general	393,525	-	-	393,525
Fundraising	20,417	-	-	20,417
Total Expenses	<u>3,055,376</u>	<u>-</u>	<u>-</u>	<u>3,055,376</u>
Excess (Deficiency) of Support and Revenue over Expenses	(276,149)	60,052	8,315	(207,782)
Unrealized Holding Losses on Investments	-	-	(7,045)	(7,045)
Change in Value of Perpetual Trusts	-	-	(59,350)	(59,350)
Changes in Net Assets	<u>(\$ 276,149)</u>	<u>\$60,052</u>	<u>(\$58,080)</u>	<u>(\$ 274,177)</u>

See notes to financial statements.

Young Women's Christian Association of Gettysburg and Adams County

Statements of Activities

Years Ended June 30, 2008 and 2007

	2007			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
Support				
Contributions	\$ 78,851	\$21,545	\$ 5,152	\$ 105,548
Grants	104,335	-	-	104,335
Fundraising	27,235	-	-	27,235
Trust	28,593	-	-	28,593
In-kind contributions	38,461	-	-	38,461
United Way	1,250	-	-	1,250
Net assets released from restrictions	41,395	(41,395)	-	-
Total Support	320,120	(19,850)	5,152	305,422
Revenue				
Child care	766,534	-	-	766,534
Rec passes	376,100	-	-	376,100
Elderhostel	354,509	-	-	354,509
Health promotion	135,518	-	-	135,518
Membership dues	115,225	-	-	115,225
Aquatic programs	49,773	-	-	49,773
Rental income	44,488	-	-	44,488
Miscellaneous income	13,241	-	-	13,241
Community Service, net of direct expenses of \$19,779	11,993	-	-	11,993
Interest and dividends	1,569	-	-	1,569
Food service	13,474	-	-	13,474
Total Revenue	1,882,424	-	-	1,882,424
Total Support and Revenue	2,202,544	(19,850)	5,152	2,187,846

See notes to financial statements.

*Young Women's Christian Association
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Statements of Activities
Years Ended June 30, 2008 and 2007

	2007			Totals
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Expenses				
Program services	\$2,080,956	\$ -	\$ -	\$2,080,956
Supporting services:				
Management and general	370,318	-	-	370,318
Fundraising	43,109	-	-	43,109
Total Expenses	<u>2,494,383</u>	<u>-</u>	<u>-</u>	<u>2,494,383</u>
Excess (Deficiency) of Support and Revenue over Expenses	(291,839)	(19,850)	5,152	(306,537)
Unrealized Holding Gains on Investments	-	-	7,750	7,750
Change in Value of Perpetual Trusts	<u>-</u>	<u>-</u>	<u>90,395</u>	<u>90,395</u>
Changes in Net Assets	<u>(\$ 291,839)</u>	<u>(\$19,850)</u>	<u>\$103,297</u>	<u>(\$ 208,392)</u>

See notes to financial statements.

*Young Women's Christian Association
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Statements of Changes in Net Assets
Years Ended June 30, 2008 and 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Totals</u>
Net Assets - June 30, 2006	\$1,897,734	\$ 80,690	\$745,260	\$2,723,684
Changes in net assets	<u>(291,839)</u>	<u>(19,850)</u>	<u>103,297</u>	<u>(208,392)</u>
Net Assets - June 30, 2007	1,605,895	60,840	848,557	2,515,292
Changes in net assets	<u>(276,149)</u>	<u>60,052</u>	<u>(58,080)</u>	<u>(274,177)</u>
Net Assets - June 30, 2008	<u>\$1,329,746</u>	<u>\$120,892</u>	<u>\$790,477</u>	<u>\$2,241,115</u>

See notes to financial statements.

***Young Women's Christian Association
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**Statements of Cash Flows
Years Ended June 30, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
Cash Flows from Operating Activities		
Changes in net assets	(\$274,177)	(\$208,392)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation and amortization	205,300	159,707
Bad debts	13,922	8,212
Loss on sale of investments	2,011	-
Unrealized holding (gains) losses on investments	7,045	(7,750)
Change in value of perpetual trusts	59,350	(90,395)
Restricted contributions - endowment	(10,326)	(5,152)
Restricted contributions - capital	-	(13,900)
(Increase) decrease in assets:		
Accounts receivable	(21,779)	(43,686)
Promises to give	(52,200)	(23,900)
Grant receivable	9,000	14,750
Prepaid expenses	3,040	1,321
Increase (decrease) in liabilities:		
Accounts payable	12,445	(21,739)
Accrued payroll and vacation	41,782	1,485
Payroll taxes withheld and accrued	919	(2,018)
Accrued expenses	13,729	(3,625)
Deferred revenue	28,412	34,318
Accrued interest payable	3,349	-
Net Cash Provided by (Used in) Operating Activities	<u>41,822</u>	<u>(200,764)</u>
Cash Flows from Investing Activities		
Capital expenditures	(328,600)	(687,072)
Purchase of investments	(6,354)	(796)
Proceeds from sale of investments	17,459	105,288
Net Cash Used in Investing Activities	<u>(317,495)</u>	<u>(582,580)</u>

See notes to financial statements.

***Young Women's Christian Association
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**Statements of Cash Flows
Years Ended June 30, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
Cash Flows from Financing Activities		
Net change in line of credit	22,214	(529,299)
Restricted contributions - endowment	10,326	5,152
Restricted contributions - capital	-	52,149
Proceeds from notes payable	296,215	1,261,490
Principal repayments of notes payable	(2,955)	(2,462)
Principal repayments of obligations under capital lease	<u>(15,107)</u>	<u>(3,581)</u>
Net Cash Provided by Financing Activities	<u>310,693</u>	<u>783,449</u>
Net Increase in Cash	35,020	105
Cash - Beginning	<u>36,405</u>	<u>36,300</u>
Cash - Ending	<u>\$ 71,425</u>	<u>\$ 36,405</u>
Supplementary Cash Flows Information		
Interest paid	<u>\$ 88,190</u>	<u>\$ 61,092</u>

**Supplementary Schedule of Noncash Investing
and Financing Activities**

In 2008:

The Association acquired \$41,617 of capital expenditures under capital lease.

In 2007:

The Association acquired \$28,744 of capital expenditures under capital lease.

See notes to financial statements.

Young Women's Christian Association of Gettysburg and Adams County

Notes to Financial Statements

June 30, 2008 and 2007

Note 1 - Nature of Operations

The Young Women's Christian Association of Gettysburg and Adams County (a Pennsylvania non-profit corporation) (Association) is a community membership organization founded by women. The Association's mission is to serve people of all ages, races, religions, and economic levels, and to provide opportunities for physical, spiritual, and emotional well-being, to address changing needs and improve quality of life, and to foster understanding among all peoples.

The Young Women's Christian Association of the United States of America is a women's membership movement nourished by its roots in the Christian faith and sustained by the richness of many beliefs and values. Strengthened by diversity, the Association draws together members who strive to create opportunities for growth, leadership, and power in order to attain a common vision: peace, justice, freedom, and dignity for all people. One Imperative - To thrust its collective power toward the elimination of racism wherever it exists and by any means necessary.

The Association's primary sources of support and revenue are program fees, grants, and contributions.

Note 2 - Estimates and Summary of Accounting Policies

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 the disclosure of contingent assets and liabilities, if any, at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Accounts Receivable

Accounts receivable are stated at outstanding balances. The Association considers accounts receivable to be fully collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established, or the accounts will be charged to expense when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

Young Women's Christian Association of Gettysburg and Adams County

Notes to Financial Statements June 30, 2008 and 2007

Note 2 - Estimates and Summary of Accounting Policies (Continued)

Promises to Give

Promises to give are stated at outstanding balances. Promises to give are recognized when the Association is notified of the promises. The Association considers promises to give to be fully collectible. If collections become doubtful, an allowance for uncollectible promises to give will be established, or the accounts will be charged to expense when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received. Promises to give that are receivable in more than one year from the statement of financial position date are recorded at present value, if the related discount is considered significant.

Property and Equipment

Property and equipment are stated at cost if purchased, and at the estimated fair market value when contributed. Property and equipment is depreciated using the straight-line method over the estimated average useful lives of the assets as follows: buildings and improvements, pool renovations, and fitness center, fifteen to forty years; and furniture and equipment, three to ten years.

Maintenance, repairs, and minor renewals which do not significantly improve or extend the lives of the respective assets are charged against revenue when incurred. Additions, improvements, and major renewals are capitalized.

The Association's policy is to capitalize property and equipment expenditures of \$1,000 or more.

Investments

Investments in debt and equity securities with readily determinable fair values are reported at fair value. Unrealized gains and losses are reported as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulation or by law. Realized gains and losses, if any, on the sale or disposal of investments are computed on a specific identification basis and are also included as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulation or by law.

Beneficial Interest in Perpetual Trusts

Beneficial interest in perpetual trusts are reported at fair value, as determined by the Association's beneficiary interest percentage in the trusts. The change in the fair value is reported as increases or decreases in permanently restricted net assets.

Young Women's Christian Association of Gettysburg and Adams County

Notes to Financial Statements

June 30, 2008 and 2007

Note 2 - Estimates and Summary of Accounting Policies (Continued)

Net Assets

Net assets of the Association 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 Association and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that must be maintained permanently by the Association.

Revenue Recognition

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 that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Association reports the support as unrestricted.

Grant revenue deemed to be a contribution is classified as temporarily restricted when received or receivable. Such grant revenue is not deemed to be in respect of exchange transactions, since the proceeds thereof are non-reciprocal, unconditional, and voluntary.

The Association also receives grant revenue which is deemed to be in respect of exchange transactions and is classified as unrestricted revenue or deferred revenue, as appropriate, when received or receivable. Such grant revenue is not deemed to be a contribution since the proceeds thereof are used to pursue objectives of the grantor.

Functional Expense Classification

The cost of providing the various programs and other activities are summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Supporting services consist of management and general expenses and fundraising expenses.

Advertising Costs

The Association expenses advertising costs as incurred. Advertising expense amounted to \$5,634 and \$2,815 for the years ended June 30, 2008 and 2007, respectively.

Young Women's Christian Association of Gettysburg and Adams County

Notes to Financial Statements

June 30, 2008 and 2007

Note 3 - Tax-Exempt Status

The Association is a not-for-profit entity described in Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes on related activities pursuant to Section 509(a) of the Code. In addition, they were organized under the Pennsylvania Nonprofit Corporation Law and are exempt from state income taxes.

Note 4 - In-Kind Contributions

Contributed assets, including contributed equipment and materials, are reported in the accompanying financial statements at their fair market value as of the date the assets were received.

A substantial number of individual volunteers and businesses have donated significant amounts of time to the Association's program services and fund-raising campaigns. No amounts have been reflected in the accompanying financial statements for donated services since these services do not meet the criteria for recognition as contributed services.

During the years ended June 30, 2008 and 2007, the Association received in-kind contributions of \$21,743 and \$38,461, respectively.

Note 5 - Cash

Cash consists of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Money market	\$53,980	\$16,989
Checking accounts	17,365	18,326
Cash on hand	<u>80</u>	<u>1,090</u>
	<u>\$71,425</u>	<u>\$36,405</u>

At times during the years ended June 30, 2008 and 2007, the Association's cash balances may have exceeded the federally insured limit of \$100,000. As of June 30, 2008 and 2007, the Association had no balances in excess of the federally insured limits.

***Young Women's Christian Association
of Gettysburg and Adams County***

**Notes to Financial Statements
June 30, 2008 and 2007**

Note 6 - Promises to Give

During the years ended June 30, 2008 and 2007, the Association conducted a fundraising campaign to raise donations to expand its primary facility and to consolidate its operations. Promises to give that are restricted to this project amounted to \$81,100 and \$36,400 as of June 30, 2008 and 2007, respectively.

The due dates of promises to give, assuming no change in current terms, consist of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Receivable in less than one year	\$61,100	\$36,400
Receivable in one to five years	<u>20,000</u>	<u>-</u>
	<u>\$81,100</u>	<u>\$36,400</u>

Note 7 - Property and Equipment

Property and equipment consist of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Buildings and improvements	\$4,906,272	\$4,587,985
Furniture and equipment	759,346	715,343
Pool renovations	<u>420,715</u>	<u>412,788</u>
	6,086,333	5,716,116
Accumulated depreciation and amortization	<u>(2,657,487)</u>	<u>(2,452,187)</u>
	<u>\$3,428,846</u>	<u>\$3,263,929</u>

Depreciation and amortization expense amounted to \$205,300 and \$159,707 for the years ended June 30, 2008 and 2007, respectively.

*Young Women's Christian Association
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Notes to Financial Statements

June 30, 2008 and 2007

Note 8 - Investments

The cost, unrealized gains and losses, and fair value of investments consist of the following as of June 30:

	2008			Fair Value
	Gross Unrealized			
	Cost	Gains		
Equity securities	\$55,897	\$ 410	(\$18,565)	\$37,742
	2007			
Equity securities	\$63,956	\$6,229	(\$12,282)	\$57,903

Investments held as of June 30, 2008 and 2007, are comprised of investments in cash, debt and equity securities, and certificates of deposit. The Association has recorded total unrealized holding losses on four of these securities as of June 30, 2008 and 2007. Management believes that holding losses recorded on these investments are not a permanent impairment, but rather a temporary market decline. The following table shows the investments gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, as of June 30:

	2008				Total	
	Less than Twelve Months		Twelve Months or More		Fair Value	Unrealized Losses
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses		
Equity securities, temporarily impaired	\$ -	\$ -	\$30,944	(\$18,565)	\$30,944	(\$18,565)
	2007					
Equity securities, temporarily impaired	\$ -	\$ -	\$36,806	(\$12,282)	\$36,806	(\$12,282)

Young Women's Christian Association of Gettysburg and Adams County

Notes to Financial Statements

June 30, 2008 and 2007

Note 9 - Beneficial Interest in Perpetual Trusts

The Association is named as a beneficiary under several perpetual trusts. The Association's beneficiary interest allocation ranges from 12.50% to 16.67% as of June 30, 2008 and 2007, respectively.

The cost, gross unrealized gains and losses, and fair value of investments consist of the following as of June 30:

	2008			Fair Value
	Gross Unrealized			
	Cost	Gains		
Beneficial interest in perpetual trusts	<u>\$632,980</u>	<u>\$72,273</u>	<u>(\$5,170)</u>	<u>\$700,083</u>
	2007			
Beneficial interest in perpetual trusts	<u>\$619,166</u>	<u>\$140,267</u>	<u>\$ -</u>	<u>\$759,433</u>

Note 10 - Line of Credit

During the year ended June 30, 2006, the Association obtained a line of credit from PNC Bank (formerly, Bank of Hanover). The authorized line of credit was increased to \$250,000 during the year ended June 30, 2008, is due on demand, and bears interest, payable monthly, at the bank's prime rate, plus 1% (6% as of June 30, 2008). The line of credit is collateralized by a second mortgage.

As of June 30, 2008 and 2007, the outstanding balance on this line of credit amounted to \$148,000 and \$125,786, respectively. Interest expense related to the line of credit amounted to \$10,556 and \$47,822 for the years ended June 30, 2008 and 2007, respectively.

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**Notes to Financial Statements
June 30, 2008 and 2007**

Note 11 - Notes Payable

Notes payable consist of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Commercial mortgage dated February 5, 2007 payable to PNC Bank (formerly, Bank of Hanover); interest fixed at 5% for the first sixty months, thereafter, interest at a published prime rate; interest only payments for first twelve months, then paid in two hundred forty consecutive monthly payments of principal and interest; maturity date of June 28, 2028	\$1,548,841	\$1,252,626
Promissory note dated August 21, 2006 payable to Kubota Credit Corporation; noninterest bearing note paid in thirty-six monthly installments; due in full on August 21, 2009	<u>3,447</u>	<u>6,402</u>
	1,552,288	1,259,028
Current maturities	<u>(49,224)</u>	<u>(2,955)</u>
	<u>\$1,503,064</u>	<u>\$1,256,073</u>

Interest expense related to the notes payable debt amounted to \$77,875 and \$12,331 during the years ended June 30, 2008 and 2007, respectively.

Aggregate maturities of the notes payable, assuming no change in current terms, consist of the following for each of the five years ending June 30, 2013, and thereafter:

2009	\$ 49,224
2010	49,128
2011	51,124
2012	53,740
2013	56,489
Thereafter	<u>1,292,583</u>
	<u>\$1,552,288</u>

Young Women's Christian Association of Gettysburg and Adams County

Notes to Financial Statements June 30, 2008 and 2007

Note 12 - Obligations under Capital lease

Future minimum lease payments under capital lease, together with the present value of the net minimum lease payments consist of the following for the remaining five years ending December 31:

2009	\$23,672
2010	19,151
2011	8,766
2012	4,412
2013	<u>1,103</u>
	57,104
Amount representing interest	<u>(5,431)</u>
	<u>\$51,673</u>
Current portion	\$20,653
Noncurrent portion	<u>31,020</u>
	<u>\$51,673</u>

The items under lease are computer software and equipment. Interest rates on capital lease obligations range from 6.00% to 8.25%.

The net book value of equipment under capital lease obligations consists of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Equipment under capital lease, at cost	\$70,559	\$28,942
Accumulated amortization	<u>(16,973)</u>	<u>(4,824)</u>
	<u>\$53,586</u>	<u>\$24,118</u>
Amortization expense	<u>\$12,149</u>	<u>\$ 4,824</u>

Amortization expense above is included in the depreciation and amortization expense listed in Note 7.

Interest expense on capital leases amounted to \$3,108 and \$939 for the years ended June 30, 2008 and 2007, respectively.

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Notes to Financial Statements
June 30, 2008 and 2007

Note 13 - Deferred Revenue

Deferred revenue consists of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Recreation passes	\$144,925	\$ 99,756
Special programs	29,987	12,600
Other	6,170	3,304
Program income	<u>4,752</u>	<u>41,762</u>
	<u>\$185,834</u>	<u>\$157,422</u>

The above items of deferred income will be recognized as income when the expenditures for such designated purposes are incurred and/or are allocated over the respective terms of service, all of which are expected to occur during the next fiscal year.

Note 14 - Commitments

During the year ended June 30, 2007, the Association entered into a multi-year lease for the rental of facilities for a child daycare. The lease payments began in July, 2007 and will continue through July, 2022 with varying rent per year.

The Association currently holds operating leases for office equipment. The Association also holds a year to year lease for use of classroom space. Rent expense related to the leases amounted to \$143,567 and \$25,552 for the years ended June 30, 2008 and 2007, respectively.

Assuming no change in current terms, future minimum lease payments under operating leases, consist of the following for the remaining five years ending June 30, 2013, and thereafter:

2009	\$ 124,786
2010	124,434
2011	123,425
2012	121,406
2013	138,822
Thereafter	<u>1,359,146</u>
	<u>\$1,992,019</u>

Young Women's Christian Association of Gettysburg and Adams County

Notes to Financial Statements June 30, 2008 and 2007

Note 15 - Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Child Care Program	\$ 60,140	\$10,140
Scholarship program	28,419	24,300
Pre K Program	15,079	10,000
Corporate sponsorships	8,500	-
Building expansion and renovation	5,000	12,500
Other	2,600	3,900
Mission and Hallmark Grant	1,154	-
	<u>\$120,892</u>	<u>\$60,840</u>

Note 16 - Permanently Restricted Net Assets

Permanently restricted net assets consist of the following as of June 30:

	<u>2008</u>	<u>2007</u>
Beneficial interest in perpetual trusts	\$700,083	\$759,433
General purpose endowment	88,014	86,744
Scholarship program endowment	2,380	2,380
	<u>\$790,477</u>	<u>\$848,557</u>

Note 17 - Retirement Plan

The Association sponsors a defined contribution retirement plan for qualified employees. The pension plan expense charged against operations amounted to \$45,470 and \$57,573 for the years ended June 30, 2008 and 2007, respectively. Contributions to the retirement plan are based on compensation.



Independent Auditor's Report on Supplementary Information

To the Board of Directors
Young Women's Christian Association
of Gettysburg and Adams County

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The following supplementary information accompanying the financial statements is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and, accordingly, we express no opinion on such information.

Beard Miller Company LLP

Beard Miller Company LLP
York, Pennsylvania
November 26, 2008

*Young Women's Christian Association
of Gettysburg and Adams County*

Statements of Functional Expenses - by Natural Classification

Years Ended June 30, 2008 and 2007

(See Auditor's Report on Supplementary Information)

	2008			
	<u>Supporting Services</u>			
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Totals</u>
Salaries and wages	\$1,182,724	\$230,948	\$ 1,278	\$1,414,950
Program expense	385,105	-	-	385,105
Utilities	123,796	28,204	-	152,000
Rent	143,567	-	-	143,567
Employee benefits	106,169	20,061	-	126,230
Payroll taxes	105,255	19,780	95	125,130
Food and consumables	94,689	185	107	94,981
Interest	76,313	15,226	-	91,539
Repairs and maintenance	76,080	9,437	-	85,517
Insurance	50,093	8,840	-	58,933
Professional fees and services	31,189	6,271	1,171	38,631
Fees and licenses	19,986	3,472	(48)	23,410
Miscellaneous	11,490	7,057	30	18,577
Dues and subscriptions	14,014	2,422	-	16,436
Supplies	5,975	963	7,207	14,145
Bad debts	4,799	1,623	7,500	13,922
Telephone	10,689	1,960	-	12,649
Printing	10,481	1,453	710	12,644
Postage	8,207	876	737	9,820
Advertising	3,540	669	1,425	5,634
Education	5,298	120	-	5,418
Board expense	159	443	-	602
Travel	185	51	-	236
Total Expenses before Depreciation and Amortization	2,469,803	360,061	20,212	2,850,076
Depreciation and amortization	171,631	33,464	205	205,300
	<u>\$2,641,434</u>	<u>\$393,525</u>	<u>\$20,417</u>	<u>\$3,055,376</u>

2007				
Supporting Services				
	Program Services	Management and General	Fundraising	Totals
Salaries and wages	\$ 956,217	\$200,159	\$ -	\$1,156,376
Program expense	350,334	-	-	350,334
Utilities	105,243	37,123	-	142,366
Rent	22,780	2,772	-	25,552
Employee benefits	107,761	11,588	-	119,349
Payroll taxes	77,846	18,682	-	96,528
Food and consumables	56,548	1,770	132	58,450
Interest	49,872	11,220	-	61,092
Repairs and maintenance	43,639	7,437	-	51,076
Insurance	35,855	7,344	-	43,199
Professional fees and services	63,751	24,940	1,212	89,903
Fees and licenses	18,874	3,935	(25)	22,784
Miscellaneous	3,684	6,194	1,410	11,288
Dues and subscriptions	13,197	2,951	-	16,148
Supplies	6,320	1,279	32,325	39,924
Bad debts	-	157	8,055	8,212
Telephone	8,224	1,471	-	9,695
Printing	5,086	1,010	-	6,096
Postage	5,781	1,208	-	6,989
Advertising	2,513	302	-	2,815
Education	4,493	388	-	4,881
Board expense	-	553	-	553
Travel	108	191	-	299
Sponsors fund	10,757	-	-	10,757
Marketing	10	-	-	10
Total Expenses before Depreciation and Amortization	1,948,893	342,674	43,109	2,334,676
Depreciation and amortization	132,063	27,644	-	159,707
	<u>\$2,080,956</u>	<u>\$370,318</u>	<u>\$43,109</u>	<u>\$2,494,383</u>

**Young Women's Christian Association
of Gettysburg and Adams County**

Schedule of Program Services Expenses - by Natural Classification - by Program

Years Ended June 30, 2008 and 2007

(See Auditor's Report on Supplementary Information)

2008

	Child Care	Membership	Elderhostel	Aquatics	Health Promotion	Hallmark		Totals
						Mission	Sponsorships	
Salaries and wages	\$ 762,720	\$ 94,013	\$ 44,698	\$ 92,127	\$ 183,488	\$ 5,046	\$ 632	\$1,182,724
Program expense	55,770	831	294,187	7,607	11,743	2,762	12,205	385,105
Utilities	54,982	21,610	5,586	20,072	19,274	2,272	-	123,796
Rent	143,467	-	-	-	-	100	-	143,567
Employee benefits	79,092	7,348	3,205	3,893	12,540	91	-	106,169
Payroll taxes	65,275	9,689	4,025	9,226	16,397	596	47	105,255
Food and consumables	92,706	381	91	121	1,294	96	-	94,689
Interest	41,385	7,012	1,758	14,787	10,791	580	-	76,313
Repairs and maintenance	31,393	5,207	1,969	22,211	14,942	358	-	76,080
Insurance	27,699	7,072	1,768	5,893	7,072	589	-	50,093
Professional fees and services	15,888	4,973	1,010	3,791	4,235	1,292	-	31,189
Fees and licenses	11,021	2,741	682	2,427	2,878	237	-	19,986
Miscellaneous	2,406	268	808	5,861	791	1,356	-	11,490
Dues and subscriptions	7,569	1,935	485	1,924	1,937	164	-	14,014
Supplies	2,604	1,255	322	827	904	63	-	5,975
Bad debts	3,417	379	-	100	503	-	400	4,799
Telephone	5,069	1,585	1,069	1,359	1,494	113	-	10,689
Printing	2,738	5,667	285	735	964	90	2	10,481
Postage	2,276	4,441	177	587	673	53	-	8,207
Advertising	1,346	912	458	287	437	100	-	3,540
Education	4,928	271	12	38	45	4	-	5,298
Board expense	88	22	6	19	22	2	-	159
Travel	109	24	6	20	24	2	-	185
	<u>\$1,413,948</u>	<u>\$177,636</u>	<u>\$362,607</u>	<u>\$193,912</u>	<u>\$292,448</u>	<u>\$15,966</u>	<u>\$13,286</u>	<u>\$2,469,803</u>

Young Women's Christian Association of Gettysburg and Adams County

Schedule of Program Services Expenses - by Natural Classification - by Program Years Ended June 30, 2008 and 2007

(See Auditor's Report on Supplementary Information)

2007

	Hallmark and Mission										Totals
	Child Care	Membership	Elderhostel	Aquatics	Health Promotion	Food Service	Community Service	Mission	Sponsorships	Totals	
Salaries and wages	\$482,668	\$124,403	\$ 45,762	\$ 80,440	\$205,601	\$ 6,943	\$ -	\$10,400	\$ -	\$ 956,217	
Program expense	60,174	6,594	253,880	1,115	20,983	190	930	1,723	4,745	350,334	
Utilities	52,000	13,254	6,025	9,640	20,713	2,410	1,198	3	-	105,243	
Rent	22,780	-	-	-	-	-	-	-	-	22,780	
Employee benefits	73,647	5,449	7,130	8,617	10,155	2,757	6	-	-	107,761	
Payroll taxes	37,857	10,465	3,689	6,911	16,878	1,158	108	780	-	77,846	
Food and consumables	43,328	1,114	577	1,133	2,063	8,209	97	27	-	56,548	
Interest	25,785	6,596	2,998	4,878	7,795	1,199	621	-	-	49,872	
Repairs and maintenance	11,160	2,942	2,011	11,389	15,342	531	263	1	-	43,639	
Insurance	18,675	4,752	2,160	3,456	5,616	864	332	-	-	35,855	
Professional fees and services	30,867	10,923	3,533	7,096	9,213	1,413	706	-	-	63,751	
Fees and licenses	9,696	2,747	1,105	1,769	2,884	442	231	-	-	18,874	
Miscellaneous	968	284	303	1,688	404	3	34	-	-	3,684	
Dues and subscriptions	6,826	1,746	794	1,270	2,064	338	159	-	-	13,197	
Supplies	3,489	843	472	499	770	111	56	80	-	6,320	
Telephone	3,888	995	1,175	723	1,173	181	89	-	-	8,224	
Printing	2,635	674	306	490	797	123	61	-	-	5,086	
Postage	2,903	974	324	523	859	132	66	-	-	5,781	
Advertising	762	1,024	89	142	443	35	18	-	-	2,513	
Travel	56	14	7	10	17	3	1	-	-	108	
Education	4,488	4	2	(7)	5	1	-	-	-	4,493	
Sponsors fund	10,757	-	-	-	-	-	-	-	-	10,757	
Marketing	-	-	-	-	-	-	10	-	-	10	
Total	\$905,409	\$195,797	\$332,342	\$141,782	\$323,775	\$27,043	\$4,986	\$13,014	\$4,745	\$1,948,893	