

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.

FINANCIAL STATEMENTS AND SUPPLEMENTARY  
FINANCIAL INFORMATION

FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Jewish Communities of Western Connecticut, Inc.

We have audited the accompanying financial statements of Jewish Communities of Western Connecticut, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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.

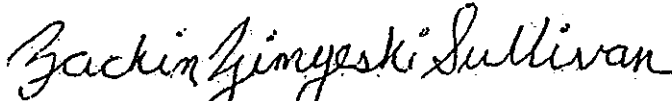
To the Board of Directors of  
Jewish Communities of Western Connecticut, Inc.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jewish Communities of Western Connecticut, Inc. as of June 30, 2016 and 2015, 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.

**Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of combining statements of financial position, combining statements of activities and combining statements of cash flows on pages 22 to 27 are presented for purposes of additional analysis and are 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.



ZACKIN ZIMYESKI SULLIVAN  
Certified Public Accountants, LLC  
Waterbury, Connecticut

September 23, 2016

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2016 AND 2015

ASSETS	2016	2015
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 758,004	\$ 619,654
Pledges Receivable, net	-	11,095
Other Receivables	14,540	2,120
Prepaid Expenses	7,350	6,666
Total Current Assets	779,894	639,535
<b>PROPERTY AND EQUIPMENT - NET</b>	2,816	7,817
<b>OTHER ASSETS</b>		
Investment in Jewish Center, LLC	854,394	959,033
Investments	18,647,223	19,615,163
Total Other Assets	19,501,617	20,574,196
<b>TOTAL ASSETS</b>	\$ 20,284,327	\$ 21,221,548
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 5,099	\$ 678
Accrued Expenses	37,099	41,107
Deferred Revenue	47,957	58,560
Grants Payable	118,600	101,045
Annuities Payable, Current Portion	771	761
Total Current Liabilities	209,526	202,151
<b>LONG-TERM LIABILITIES</b>		
Managed Funds	3,172,376	3,260,896
Annuities Payable	4,334	4,375
Total Long-Term Liabilities	3,176,710	3,265,271
Total Liabilities	3,386,236	3,467,422
<b>NET ASSETS</b>		
Unrestricted		
Undesignated	279,471	196,563
Designated	1,626,364	1,747,894
Investment in Jewish Center, LLC	854,394	959,033
Temporarily Restricted	14,137,862	14,850,636
Total Net Assets	16,898,091	17,754,126
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 20,284,327	\$ 21,221,548

See accompanying notes to the financial statements

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016  
(With Summarized Information for the Year Ended June 30, 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
<b>PUBLIC SUPPORT</b>				
Contributions:				
Unrestricted	\$ 160,949	\$ -	\$ 160,949	\$ 196,603
Restricted	-	506,481	506,481	211,252
United Way	17,522	-	17,522	10,233
New Opportunities	4,629	-	4,629	4,651
Total Public Support	<u>183,100</u>	<u>506,481</u>	<u>689,581</u>	<u>422,739</u>
<b>REVENUE</b>				
Program Fees	112,075	-	112,075	121,940
Other Income	224,508	-	224,508	230,954
Investment Income:				
Interest & Dividends (Net of Fees)	58,362	284,911	343,273	327,786
Net (Depreciation) of Investments	<u>(108,015)</u>	<u>(924,149)</u>	<u>(1,032,164)</u>	<u>(1,028,565)</u>
Total Revenue	<u>286,930</u>	<u>(639,238)</u>	<u>(352,308)</u>	<u>(347,885)</u>
Total Public Support and Revenue	470,030	(132,757)	337,273	74,854
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>				
Restrictions Satisfied by Payments	<u>580,017</u>	<u>(580,017)</u>	<u>-</u>	<u>-</u>
<b>TOTAL PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS</b>				
	1,050,047	(712,774)	337,273	74,854

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016  
(With Summarized Information for the Year Ended June 30, 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
<b>EXPENSES</b>				
<b>PROGRAM SERVICES</b>				
JCC of Western Connecticut	89,106	-	89,106	114,973
Brownstein Jewish Family Services	128,388	-	128,388	223,351
William & Audrey Walzer Preschool	166,734	-	166,734	204,078
Community Relations	68,487	-	68,487	78,527
Grants and Allocations to Community Organizations	471,415	-	471,415	615,322
Total Program Services	<u>924,130</u>	<u>-</u>	<u>924,130</u>	<u>1,236,251</u>
<b>SUPPORT SERVICES</b>				
Fundraising	65,969	-	65,969	128,462
Management and General	98,601	-	98,601	99,496
Total Support Services	<u>164,570</u>	<u>-</u>	<u>164,570</u>	<u>227,958</u>
Total Expenses	<u>1,088,700</u>	<u>-</u>	<u>1,088,700</u>	<u>1,464,209</u>
Excess (Deficit) of Public Support and Revenue Over Expenses Before Other Changes in Net Assets	(38,653)	(712,774)	(751,427)	(1,389,355)
<b>OTHER CHANGES IN NET ASSETS</b>				
(Loss) - Jewish Center, LLC	(104,639)	-	(104,639)	(101,024)
Change in Annuities	31	-	31	33
Total Other Changes in Net Assets	<u>(104,608)</u>	<u>-</u>	<u>(104,608)</u>	<u>(100,991)</u>
NET CHANGE IN NET ASSETS	(143,261)	(712,774)	(856,035)	(1,490,346)
NET ASSETS, BEGINNING OF THE YEAR	<u>2,903,490</u>	<u>14,850,636</u>	<u>17,754,126</u>	<u>19,244,472</u>
NET ASSETS, END OF THE YEAR	<u>\$ 2,760,229</u>	<u>\$ 14,137,862</u>	<u>\$ 16,898,091</u>	<u>\$ 17,754,126</u>

See accompanying notes to the financial statements

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Change in Net Assets	\$ (856,035)	\$ (1,490,346)
Adjustments to Reconcile Net Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	5,001	7,036
Allowance for Uncollectible Pledges	(1,565)	(319)
Loss Allocation-Jewish Center, LLC	104,639	101,024
Net Depreciation of Investments	1,031,648	1,028,565
Changes in Current Assets and Liabilities:		
Decrease in Pledges Receivable	12,660	16,592
(Increase) Decrease in Other Receivables	(12,420)	4,380
(Increase) in Prepaid Expenses	(684)	(1,106)
Increase (Decrease) in Accounts Payable	4,421	(10,124)
(Decrease) in Accrued Expenses	(4,008)	(2,762)
Increase (Decrease) in Deferred Revenue	(10,603)	3,144
Increase in Grants Payable	17,555	26,100
(Decrease) in Annuities Payable	(31)	(33)
Net Cash Provided (Used) by Operating Activities	<u>290,578</u>	<u>(317,849)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Net Sales (Purchases) of Investments	<u>(152,228)</u>	<u>389,310</u>
Net Cash Provided (Used) by Investing Activities	<u>(152,228)</u>	<u>389,310</u>
<b>NET INCREASE IN CASH</b>	<b>138,350</b>	<b>71,461</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u><b>619,654</b></u>	<u><b>548,193</b></u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u><b>\$ 758,004</b></u></u>	<u><u><b>\$ 619,654</b></u></u>

See accompanying notes to the financial statements



JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2016

	Program Services					Support Services			Total Expenses	
	JCC of Western Connecticut	Brownstein Jewish Family Services	William & Audrey Walzer Preschool	Community Relations	Grants & Allocations to Community Organizations	Total Program Services	Fund-raising	Management and General		Total Support Services
Payroll and Related Expenses	\$ 40,599	\$ 59,413	\$ 1,113,343	\$ 38,634	\$ 44,273	\$ 294,262	\$ 33,628	\$ 19,557	\$ 53,185	\$ 347,447
Program Services	17,841	38,484	9,353	6,519	-	72,197	-	-	-	72,197
Campaign	-	-	-	-	-	-	7,914	-	7,914	7,914
Occupancy	21,960	21,960	37,200	12,000	12,000	105,120	12,000	2,880	14,880	120,000
Office and Postage	1,612	2,105	1,481	1,388	1,929	8,515	1,437	3,089	4,526	13,041
Computer Expense	287	287	287	4,127	287	5,275	287	3,412	3,699	8,974
Telephone	630	630	1,067	344	344	3,015	344	84	428	3,443
Professional Fees	890	890	890	445	7,000	10,115	4,895	5,071	9,966	20,081
Insurance	-	-	-	-	-	-	-	149	149	149
Dues	2,286	2,686	2,286	2,286	2,550	12,094	2,286	2,086	4,372	16,466
Maintenance	1,222	1,222	1,222	1,222	1,416	6,304	1,222	948	2,170	8,474
Advertising	-	-	534	709	-	1,243	-	6,651	6,651	7,894
Miscellaneous	194	194	637	194	-	1,219	1,502	573	2,075	3,294
Jewish Federation of North America	-	-	-	-	7,749	7,749	-	-	-	7,749
Travel and Meals	469	83	-	165	-	717	-	346	346	1,063
Grants to Community Organizations	-	-	-	-	28,850	28,850	-	-	-	28,850
Philanthropic Fund Expenditures	-	-	-	-	364,214	364,214	-	-	-	364,214
Investment Management Fees	-	-	-	-	-	-	-	-	-	-
Conferences	825	143	143	163	-	1,786	163	48,918	48,918	48,918
Bad Debts	-	-	-	-	512	512	-	129	292	2,078
Annuity Interest	-	-	-	-	-	-	-	595	595	595
Total Expenses Before Depreciation	88,815	128,097	166,443	68,196	471,124	922,675	65,678	95,346	161,024	1,083,699
Depreciation	291	291	291	291	291	1,455	291	3,255	3,546	5,001
Total Expenses	\$ 89,106	\$ 128,388	\$ 166,734	\$ 68,487	\$ 471,415	\$ 924,130	\$ 65,969	\$ 98,601	\$ 164,570	\$ 1,088,700

(continued)

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2015

	Program Services						Support Services			Total Expenses
	JCC of Western Connecticut	Brownstein Jewish Family Services	William & Audrey Walzer Preschool	Community Relations	Grants & Allocations to Community Organizations	Total Program Services	Fund-raising	Management and General	Total Support Services	
Payroll and Related Expenses	\$ 56,129	\$ 134,590	\$ 145,207	\$ 48,590	\$ 62,313	\$ 446,829	\$ 91,307	\$ 18,580	\$ 109,887	\$ 556,716
Retirement Plan	364	867	890	321	386	2,828	291	98	389	3,217
Program Services	23,595	55,226	6,392	5,760	-	90,973	-	-	-	90,973
Campaign	-	-	-	-	-	-	14,207	-	14,207	14,207
Occupancy	23,882	23,882	40,455	13,050	13,050	114,319	13,050	3,132	16,182	130,501
Office and Postage	1,901	2,239	1,445	1,893	1,894	9,372	1,527	2,103	3,630	13,002
Computer Expense	287	287	287	4,211	550	5,622	1,442	3,530	4,972	10,594
Telephone	583	583	987	318	318	2,789	318	78	396	3,185
Professional Fees	1,620	1,620	1,620	810	6,950	12,620	2,494	5,515	8,009	20,629
Insurance	-	-	-	-	-	-	-	76	76	76
Dues	3,275	1,398	4,683	923	1,575	11,854	923	922	1,845	13,699
Maintenance	1,222	1,222	1,222	1,222	1,274	6,162	1,222	1,224	2,446	8,608
Advertising	1,396	-	196	715	-	2,307	-	-	-	2,307
Miscellaneous	52	56	52	52	-	212	970	101	1,071	1,283
Jewish Federation of North America	-	-	-	-	12,556	12,556	-	-	-	12,556
Travel & Meals	39	739	-	-	-	778	-	574	574	1,352
Grants to Community Organizations	-	-	-	-	25,500	25,500	-	-	-	25,500
Philanthropic Fund Expenditures	-	-	-	-	488,189	488,189	-	-	-	488,189
Investment Management Fees	-	-	-	-	-	-	-	59,026	59,026	59,026
Conferences	98	112	112	132	237	691	181	142	323	1,014
Bad Debts	-	-	-	-	-	-	-	(319)	(319)	(319)
Annuity Interest	-	-	-	-	-	-	-	858	858	858
Total Expenses Before Depreciation	114,443	222,821	203,548	77,997	614,792	1,233,601	127,932	95,640	223,572	1,457,173
Depreciation	530	530	530	530	530	2,650	530	3,856	4,386	7,036
Total Expenses	\$ 114,973	\$ 223,351	\$ 204,078	\$ 78,527	\$ 615,322	\$ 1,236,251	\$ 128,462	\$ 99,496	\$ 227,958	\$ 1,464,209

See accompanying notes to the financial statements

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

The Jewish Communities of Western Connecticut, Inc. (the Organization) is a nonprofit human services organization supported in large part by the local Jewish Community. The Organization provides religious, educational and community services to the Greater Waterbury and Northwestern Connecticut area and supports needs throughout the world. The Organization makes allocations to numerous other individuals and organizations, including but not limited to The Jewish Federation of North America.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Jewish Communities of Western Connecticut, Inc. is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies are in accordance with generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

a. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting, whereby income is recognized when earned and measurable and expenses are recognized when the liability is incurred, if measurable.

b. Basis of Presentation

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

*Unrestricted Net Assets:* Unrestricted net assets include expendable resources over which the Organization's Board of Directors has discretionary control and are used to carry out the Organization's operations in accordance with its bylaws. Included in unrestricted net assets are funds used to account for fixed asset acquisitions, improvements and related activities.

*Temporarily Restricted Net Assets:* Temporarily restricted net assets include resources expendable only for those purposes specified by the donor or grantor. The restrictions are satisfied either by the passage of time or by actions of the Organization.

*Permanently Restricted Net Assets:* Permanently restricted net assets include resources subject to donor-imposed stipulations that they be maintained permanently by the Organization.

c. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature or any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified and reported in the statement of activities as net assets released from restrictions.

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Pledges Receivable and Allowance for Doubtful Accounts

Management's policy is to calculate an allowance for doubtful accounts based on the percentage of pledges that are estimated to be uncollectible by the pledge year. Once a pledge is over two years old, it is generally considered uncollectible and is written off or fully reserved.

e. Revenue Recognition

Support and revenue consists of participant fees received in the operation of certain programs and fees for administration of foundation funds.

f. Investments

Investments are reported in the statement of financial position at market value with any appreciation/depreciation reported in the statement of activities. Investment income is recognized as revenue in the period it is earned and gains and losses are recognized as changes in net assets in the accounting periods in which they occur. All investments are considered available for sale.

g. Property and Equipment

Property and equipment acquisitions and improvements purchased thereon individually exceeding \$1,000 are capitalized at cost and depreciated on the straight-line basis over their estimated service lives. Contributed property and equipment is capitalized at fair value and depreciated on the straight-line basis over the estimated lives. Minor replacements, maintenance and repairs are charged to expense as incurred. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the statement of activities.

h. Functional Expense Allocations

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated using various statistical bases determined by management that may change from year to year.

i. Federal and State Income Taxes

The Organization qualifies for an exemption from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

The Organization has adopted the provisions of FASB ASC 740. The Organization files an informational return in the U.S. federal jurisdiction. With few exceptions, the Organization is no longer subject to U.S. federal tax examination by tax authorities for years before 2012.

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j. Contributed Services

Many members and other volunteers have made significant contributions of their time to develop and promote the programs of the Organization. The value of these contributed services is not included in the accompanying financial statements, since there is no objective basis to measure the value of such services.

k. Accrued Compensated Absences

It is not the Organization's policy to accrue for vacation or other compensated absences.

l. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain 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. Accordingly, actual results could differ from those estimates.

m. Cash and Cash Equivalents

The Organization considers all highly debt instruments purchased with a maturity date of three months or less to be cash equivalents, unless subject to donor restrictions.

n. Advertising Costs

Advertising costs are expensed as incurred. Total advertising costs for the years ended June 30, 2016 and 2015 was \$7,894 and \$2,307, respectively.

o. Prior Year Summarized Information

The financial statements include certain prior-year summarized information in total, but not by net asset class. With respect to the statement of activities, such prior year information is not presented by net asset class. Accordingly, such information should be read in conjunction with the Organization's fiscal year 2015 financial statements from which the summarized information was derived.

p. Managed Funds

Managed funds are funds of other non-profit organizations that have been invested through the Organization's Endowment Fund. These funds are held for the benefit of those organizations and therefore reported as liabilities. Investment return earned on behalf of these organizations is not included in the Organization's statement of activities.

q. Fair Value of Financial Instruments

The carrying value of cash, accounts receivable, accounts payable and accrued liabilities approximated their fair values due to the short maturity of these instruments.

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

2. DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events for potential recognition or disclosure in the financial statements through September 23, 2016, the date upon which the financial statements were available to be issued.

3. PLEDGES RECEIVABLE

Pledges receivable consist of the following at June 30:

	<u>2016</u>	<u>2015</u>
Pledges Receivable	\$ -	\$ 12,660
Less: Allowance for Uncollectible Pledges	<u>-</u>	<u>(1,565)</u>
Pledges Receivable, Net	<u>\$ -</u>	<u>\$ 11,095</u>

4. INVESTMENTS

As disclosed in Note 1(f), investments are stated at market.

Cost, market value and unrealized gains at June 30, 2016 are summarized as follows:

	<u>Cost</u>	<u>Market</u>	<u>Unrealized</u>
Hedge Fund	\$ 1,650,000	\$ 2,166,776	\$ 516,776
Mutual Funds	15,979,114	16,255,144	276,030
Israel Bonds	207,000	225,303	18,303
	<u>\$ 17,836,114</u>	<u>\$ 18,647,223</u>	<u>\$ 811,109</u>

Cost, market value and unrealized gains at June 30, 2015 are summarized as follows:

	<u>Cost</u>	<u>Market</u>	<u>Unrealized</u>
Hedge Fund	\$ 1,650,000	\$ 2,231,314	\$ 581,314
Mutual Funds	16,094,597	17,157,564	1,062,967
Israel Bonds	207,000	226,285	19,285
	<u>\$ 17,951,597</u>	<u>\$ 19,615,163</u>	<u>\$ 1,663,566</u>

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

4. INVESTMENTS (continued)

The components of investment income included in the statement of activities for the years ended June 30 are as follows:

	<u>2016</u>	<u>2015</u>
Interest and dividend income	\$ 547,557	\$ 539,268
Investment advisory fees	(204,284)	(211,482)
Net realized and unrealized gains (losses)	<u>(1,032,164)</u>	<u>(1,028,565)</u>
Total investment income	<u>\$ (688,891)</u>	<u>\$ (700,779)</u>

Investment income is reflected in the statement of activities for the years ended June 30 as follows:

	<u>2016</u>	<u>2015</u>
Unrestricted	\$ (49,653)	\$ (50,683)
Temporarily Restricted	<u>(639,238)</u>	<u>(650,096)</u>
Total investment income	<u>\$ (688,891)</u>	<u>\$ (700,779)</u>

There was (\$215,389) and (\$197,791) of (depreciation) on the managed fund liabilities during the fiscal years ended June 30, 2016 and 2015, respectively.

5. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30:

	<u>2016</u>	<u>2015</u>
Office Equipment	\$ 111,780	\$ 111,780
Less: Accumulated Depreciation	<u>(108,964)</u>	<u>(103,963)</u>
Net Property and Equipment	<u>\$ 2,816</u>	<u>\$ 7,817</u>

Depreciation expense was \$5,001 and \$7,036 for the years ended June 30, 2016 and 2015, respectively.

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6. SPLIT-INTEREST AGREEMENTS

The Organization has entered into irrevocable agreements with donors whereby in exchange for the gift from the donor, the Organization is obligated to provide an annuity to the donor or other designated beneficiaries for a specific number of years. A liability is recognized for the estimated present value of the annuity obligation and the assets are recorded at their gross market value for agreements where the Organization is the trustee. The discount rate and actuarial assumptions used in calculating the annuity obligations are those provided in Internal Revenue Service guidelines and actuarial tables. The amount of annuities payable at June 30, 2016 and 2015 was \$5,105 and \$5,136, respectively. The change in annuities payable for the years ended June 30, 2016 and 2015 were (\$31) and (\$33), respectively. These changes were due to adjustments in the annuity values and expiration of annuities.

7. RELATED PARTY TRANSACTIONS

The Organization is a 50% member in Jewish Center, LLC (a related party) (the Center). The Organization moved into the facility owned by the Center during November 2002. The members have agreed to share occupancy costs for the facility. This charge is classified as occupancy expense for the organizations and is adjusted as necessary. Total occupancy expense for the years ended June 30, 2016 and 2015 was \$120,000 and \$130,500, respectively.

There is a receivable of \$124 and payable of (\$180) due to the Jewish Center, LLC as of June 30, 2016 and 2015, respectively.

8. INVESTMENT IN RELATED PARTY

The Organization accounts for its investment in Jewish Center, LLC (see Note 7) using the equity method of accounting as the Organization has significant influence over, but not control of the major operating and financial policies of Jewish Center, LLC. Under the equity method, the initial investment is recorded at cost, increased or decreased by the Organization's share of income or losses and contributions or distributions.

Jewish Communities of Western Connecticut, Inc. made an initial capital contribution of \$150,000 in 2002 and has recognized cumulative income in the investment of \$704,394 through June 30, 2016 and \$809,033 through June 30, 2015.

9. TEMPORARILY RESTRICTED NET ASSETS

The temporarily restricted funds are amounts reserved for various charitable purposes as outlined by each donor and the Board of Directors within the guidelines of the Organization's bylaws.



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10. STATEMENT OF CASH FLOWS

Supplemental disclosures are required for cash disbursed during the years ended June 30, 2016 and 2015 for income taxes and interest, and for noncash transactions.

	2016	2015
Cash paid during year for:		
Interest	\$ <u>858</u>	\$ <u>858</u>

The Organization pays no income taxes (see Note 1i).

Noncash transactions during the years ended June 30, 2016 and 2015 were as follows:

	2016	2015
Increase in Investments of Managed Funds	\$ <u>64,820</u>	\$ <u>55,006</u>
Increase in Managed Funds Payable	\$ <u>64,820</u>	\$ <u>55,006</u>

11. GRANTS AND TRANSFERS TO THE OPERATING FUND

The Endowment Fund makes transfers to the Operating Fund of the Jewish Communities of Western Connecticut, Inc. based upon approved grants by the Organization's Board and grants from donor restricted funds. For the years ended June 30, 2016 and 2015, the Endowment Fund made the following transfers and grants to the Operating Fund:

	2016	2015
<u>Grants</u>		
Alef Bet Education Grant	900	900
Brinker - Grocery Card Grant	-	6,000
The Doris & Joel Abramson Jewish Heritage Fund	2,089	1,500
Jewish Communities of Western Connecticut, Inc.		
Operations	10,000	30,000
Campaign Expenses	4,000	10,000
	\$ <u>16,989</u>	\$ <u>48,400</u>

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11. GRANTS AND TRANSFERS TO THE OPERATING FUND (continued)

<u>Board and Donor Designated Transfers for Programs</u>		
Brownstein Jewish Family Service Fund	\$ 16,316	\$ 15,185
David & Charlotte Walzer Fund	7,023	6,859
The Doris & Joel Abramson Jewish Heritage Fund	-	500
Fay & Max Katz Yom HaShoah	1,602	1,075
The PACE Fund	26,255	23,578
The Jane & Keith Mahler Donor Advised Fund	2,180	1,800
Rapoport Family Fund	500	500
Marjorie & Howard Drubner Fund	1,500	3,500
Sarah & Szymon Cygielman Fund	3,372	11,000
Sophie, Mark & Joseph Brinker Fund	12,442	85,849
Karen Berland Memorial Fund	-	11,000
Traurig Fund	34,000	35,000
The William & Audrey Walzer - Alef Bet Preschool Fund	11,732	29,191
William Finklestein MD Fund for Needy Jews	12,000	35,000
Waterbury Hebrew Ladies Aid Fund	952	882
Zackin Family Fund	22,504	21,834
	<u>\$ 152,378</u>	<u>\$ 282,753</u>

12. CREDIT RISK

The carrying amounts of financial instruments approximate fair value based on quoted market prices or discounted cash flow analysis for cash equivalents and other financial instruments. The Endowment Fund is subject to some credit risk through short-term cash investments, which are placed with high credit quality financial institutions. At times, cash investments may exceed FDIC and other insured limits.

The Organization maintains cash balances in several checking and money market accounts. The checking accounts are insured by the Federal Deposit Insurance Corporation (FDIC insured) up to \$250,000, but the money market accounts are not FDIC insured. The Organization has not experienced any loss in such accounts. As of June 30, 2016, the uninsured balance is \$589,182. The Organization believes it is not exposed to any significant credit risk on its cash balances.

13. RETIREMENT PLAN

All employees are eligible to participate in the defined contribution plan. Employees who have attained age 21 and have completed one year of service are eligible to receive employer discretionary contributions. Under the terms of the plan, employees may make contributions up to the maximum amount allowed by law. For the year ended June 30, 2015, employer contributions were \$3,217, which equaled 1% of employees' compensation. For the year ended June 30, 2016, there were no employer contributions.

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14. FAIR VALUE MEASUREMENTS

The established fair value measurements provides framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; inputs that are delivered principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at June 30, 2016 and 2015.

Hedge Fund, Mutual Funds and Israel Funds: Valued at the net asset value (NAV) of shares held by the Organization at year end.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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14. FAIR VALUE MEASUREMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2016 and 2015:

Assets at Fair Value as of June 30, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Hedge Fund	\$ 2,166,776	\$ -	\$ -	\$ 2,166,776
Mutual Funds	16,255,144	-	-	16,255,144
Israel Bonds	225,303	-	-	225,303
Total Assets, at Fair Value	<u>\$ 18,647,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,647,223</u>

Assets at Fair Value as of June 30, 2015

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Hedge Fund	\$ 2,231,314	\$ -	\$ -	\$ 2,231,314
Mutual Funds	17,157,564	-	-	17,157,564
Israel Bonds	226,285	-	-	226,285
Total Assets, at Fair Value	<u>\$ 19,615,163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,615,163</u>

15. ENDOWMENT FUNDS

The Jewish Communities of Western Connecticut, Inc. Endowment Fund consists of approximately 42 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Endowment Fund's Board of Trustees to function as endowments. As required by GAAP, net assets associated with endowment funds, including the Board of Trustees designated funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees 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, these gifts would be classified as permanently restricted net assets. At June 30, 2016 and 2015, there were no permanently restricted assets. 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 the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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15. ENDOWMENT FUNDS (continued)

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization.

The Endowment Fund has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the Consumer Price Index plus 5%. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Endowment Fund relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

The Endowment Fund has a policy of appropriating for distribution annually 5 percent of the fund's fair value at December 31<sup>st</sup> of the previous year. There are two exceptions to this policy which utilize the average of eight trailing quarters of fixed income to determine the appropriation for distribution. Over the long term, the Organization expects the current spending policy to allow its endowment to grow at an average of the Consumer Price Index annually. This is consistent with the organization's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

The endowment funds are as follows:

As of June 30, 2016			
	Unrestricted	Temporarily Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 14,137,862	\$ 14,137,862
Board-designated endowment funds	12,734	-	12,734
Total funds	\$ 12,734	\$ 14,137,862	\$ 14,150,596
As of June 30, 2015			
	Unrestricted	Temporarily Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 14,850,636	\$ 14,850,636
Board-designated endowment funds	12,774	-	12,774
Total funds	\$ 12,774	\$ 14,850,636	\$ 14,863,410

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15. ENDOWMENT FUNDS (continued)

The changes in endowment funds were:

For the Year Ended June 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Endowment Funds, Beginning	\$ 12,774	\$ 14,850,636	\$ 14,863,410
Contributions	-	505,851	505,851
Investment Income	-	489,195	489,195
Net Depreciation	-	(924,149)	(924,149)
Distributions	(40)	(783,671)	(783,711)
Endowment Funds, Ending	<u>\$ 12,734</u>	<u>\$ 14,137,862</u>	<u>\$ 14,150,596</u>

For the Year Ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Endowment Funds, Beginning	\$ 11,616	\$ 16,078,699	\$ 16,090,315
Contributions	1,200	193,218	194,418
Investment Income	-	482,897	482,897
Net Depreciation	-	(921,511)	(921,511)
Distributions	(42)	(982,667)	(982,709)
Endowment Funds, Ending	<u>\$ 12,774</u>	<u>\$ 14,850,636</u>	<u>\$ 14,863,410</u>

SUPPLEMENTARY INFORMATION

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
COMBINING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2016

	Operating Fund	Endowment Fund	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 342,380	\$ 415,624	\$ -	\$ 758,004
Other Receivables	4,540	11,700	(1,700)	14,540
Prepaid Expenses	7,350	-	-	7,350
Total Current Assets	<u>354,270</u>	<u>427,324</u>	<u>(1,700)</u>	<u>779,894</u>
PROPERTY AND EQUIPMENT - NET	2,816	-	-	2,816
OTHER ASSETS				
Investment in Jewish Center, LLC	854,394	-	-	854,394
Investments	153,340	18,647,223	(153,340)	18,647,223
Due from Other Funds	900	150,000	(150,900)	-
Total Other Assets	<u>1,008,634</u>	<u>18,797,223</u>	<u>(304,240)</u>	<u>19,501,617</u>
TOTAL ASSETS	<u>\$ 1,365,720</u>	<u>\$ 19,224,547</u>	<u>\$ (305,940)</u>	<u>\$ 20,284,327</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts Payable	\$ 5,099	\$ -	\$ -	\$ 5,099
Accrued Expenses	37,099	-	-	37,099
Due to Other Funds	151,700	-	(151,700)	-
Deferred Revenue	37,957	10,000	-	47,957
Grants Payable	-	119,500	(900)	118,600
Annuities Payable, Current Portion	-	771	-	771
Total Current Liabilities	<u>231,855</u>	<u>130,271</u>	<u>(152,600)</u>	<u>209,526</u>
LONG-TERM LIABILITIES				
Managed Funds	-	3,325,716	(153,340)	3,172,376
Annuities Payable	-	4,334	-	4,334
Total Long-Term Liabilities	<u>-</u>	<u>3,330,050</u>	<u>(153,340)</u>	<u>3,176,710</u>
Total Liabilities	231,855	3,460,321	(305,940)	3,386,236
NET ASSETS				
Unrestricted				
Undesignated	279,471	-	-	279,471
Designated	-	1,626,364	-	1,626,364
Investment in Jewish Center, LLC	854,394	-	-	854,394
Temporarily Restricted	-	14,137,862	-	14,137,862
Total Net Assets	<u>1,133,865</u>	<u>15,764,226</u>	<u>-</u>	<u>16,898,091</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,365,720</u>	<u>\$ 19,224,547</u>	<u>\$ (305,940)</u>	<u>\$ 20,284,327</u>



JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
COMBINING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2015

	Operating Fund	Endowment Fund Restated	Eliminations	Total
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 345,730	\$ 273,924	\$ -	\$ 619,654
Pledges Receivable, net	1,095	10,000	-	11,095
Other Receivables	2,120	-	-	2,120
Prepaid Expenses	6,666	-	-	6,666
Total Current Assets	<u>355,611</u>	<u>283,924</u>	<u>-</u>	<u>639,535</u>
PROPERTY AND EQUIPMENT - NET	4,855	2,962	-	7,817
<b>OTHER ASSETS</b>				
Investment in Jewish Center, LLC	959,033	-	-	959,033
Investments	101,398	19,615,163	(101,398)	19,615,163
Due from Other Funds	1,975	150,000	(151,975)	-
Total Other Assets	<u>1,062,406</u>	<u>19,765,163</u>	<u>(253,373)</u>	<u>20,574,196</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,422,872</u>	<u>\$ 20,052,049</u>	<u>\$ (253,373)</u>	<u>\$ 21,221,548</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 464	\$ 214	\$ -	\$ 678
Accrued Expenses	41,107	-	-	41,107
Due to Other Funds	150,000	1,975	(151,975)	-
Deferred Revenue	48,560	10,000	-	58,560
Grants Payable	27,145	73,900	-	101,045
Annuities Payable, Current Portion	-	761	-	761
Total Current Liabilities	<u>267,276</u>	<u>86,850</u>	<u>(151,975)</u>	<u>202,151</u>
<b>LONG-TERM LIABILITIES</b>				
Managed Funds	-	3,362,294	(101,398)	3,260,896
Annuities Payable	-	4,375	-	4,375
Total Long-Term Liabilities	<u>-</u>	<u>3,366,669</u>	<u>(101,398)</u>	<u>3,265,271</u>
Total Liabilities	267,276	3,453,519	(253,373)	3,467,422
<b>NET ASSETS</b>				
<b>Unrestricted</b>				
Undesignated	196,563	-	-	196,563
Designated	-	1,747,894	-	1,747,894
Investment in Jewish Center, LLC	959,033	-	-	959,033
Temporarily Restricted	-	14,850,636	-	14,850,636
Total Net Assets	<u>1,155,596</u>	<u>16,598,530</u>	<u>-</u>	<u>17,754,126</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,422,872</u>	<u>\$ 20,052,049</u>	<u>\$ (253,373)</u>	<u>\$ 21,221,548</u>

See independent accountant's report

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
COMBINING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Operating Fund</u>	<u>Endowment Fund</u>	<u>Eliminations</u>	<u>Total</u>
<b>PUBLIC SUPPORT</b>				
Contributions:				
Unrestricted	\$ 165,111	\$ 18	\$ (4,180)	\$ 160,949
Restricted	630	505,851		506,481
United Way	17,522	-	-	17,522
New Opportunities	4,629	-	-	4,629
Program Grants - Interfund	171,915	-	(171,915)	-
Total Public Support	<u>359,807</u>	<u>505,869</u>	<u>(176,095)</u>	<u>689,581</u>
<b>REVENUE</b>				
Program Fees	112,075	-	-	112,075
Other Support	202,364	-	(202,364)	-
Other Income	-	224,508	-	224,508
Investment Income:				
Interest & Dividends (Net of Fees)	4,876	338,397	-	343,273
Net Depreciation of Investments	(7,001)	(1,025,163)	-	(1,032,164)
Total Revenue	<u>312,314</u>	<u>(462,258)</u>	<u>(202,364)</u>	<u>(352,308)</u>
Total Public Support and Revenue	<u>672,121</u>	<u>43,611</u>	<u>(378,459)</u>	<u>337,273</u>
<b>EXPENSES</b>				
<b>PROGRAM SERVICES</b>				
JCC of Western Connecticut	89,106	-	-	89,106
Brownstein Jewish Family Services	128,388	-	-	128,388
William & Audrey Walzer Preschool	166,734	-	-	166,734
Other Community Services	68,487	-	-	68,487
Grants and Allocations to Community Organizations	78,981	568,529	(176,095)	471,415
Total Program Services	<u>531,696</u>	<u>568,529</u>	<u>(176,095)</u>	<u>924,130</u>
<b>SUPPORT SERVICES</b>				
Fundraising	65,969	-	-	65,969
Management and General	45,498	255,467	(202,364)	98,601
Total Support Services	<u>111,467</u>	<u>255,467</u>	<u>(202,364)</u>	<u>164,570</u>
Total Expenses	<u>643,163</u>	<u>823,996</u>	<u>(378,459)</u>	<u>1,088,700</u>
Excess (Deficit) of Public Support and Revenue				
Over Expenses Before Other Changes in Net Assets	28,958	(780,385)	-	(751,427)
<b>OTHER CHANGES IN NET ASSETS</b>				
Income - Jewish Center, LLC	(104,639)	-	-	(104,639)
Change in Annuities	-	31	-	31
Transfer of Endowment Funds to Federation Reserve	53,950	(53,950)	-	-
Total Other Changes in Net Assets	<u>(50,689)</u>	<u>(53,919)</u>	<u>-</u>	<u>(104,608)</u>
<b>NET CHANGE IN NET ASSETS</b>	<u>(21,731)</u>	<u>(834,304)</u>	<u>-</u>	<u>(856,035)</u>
<b>NET ASSETS, BEGINNING OF THE YEAR</b>	<u>1,155,596</u>	<u>16,598,530</u>	<u>-</u>	<u>17,754,126</u>
<b>NET ASSETS, END OF THE YEAR</b>	<u>\$ 1,133,865</u>	<u>\$ 15,764,226</u>	<u>\$ -</u>	<u>\$ 16,898,091</u>

JEWISH COMMUNITIES  
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COMBINING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

	Operating Fund	Endowment Fund	Eliminations	Total
<b>PUBLIC SUPPORT</b>				
Contributions:				
Unrestricted	\$ 185,009	\$ 12,494	\$ (900)	\$ 196,603
Restricted	18,034	193,218		211,252
United Way	10,233	-	-	10,233
New Opportunities	4,651	-	-	4,651
Program Grants - Interfund	330,253	-	(330,253)	-
Total Public Support	<u>548,180</u>	<u>205,712</u>	<u>(331,153)</u>	<u>422,739</u>
<b>REVENUE</b>				
Program Fees	121,940	-	-	121,940
Other Support	207,859	-	(207,859)	-
Other Income	-	230,954	-	230,954
Investment Income:				
Interest & Dividends (Net of Fees)	2,992	324,794	-	327,786
Net Appreciation of Investments	(4,667)	(1,023,898)	-	(1,028,565)
Total Revenue	<u>328,124</u>	<u>(468,150)</u>	<u>(207,859)</u>	<u>(347,885)</u>
Total Public Support and Revenue	<u>876,304</u>	<u>(262,438)</u>	<u>(539,012)</u>	<u>74,854</u>
<b>EXPENSES</b>				
<b>PROGRAM SERVICES</b>				
JCC of Western Connecticut	114,973	-	-	114,973
Brownstein Jewish Family Services	223,351	-	-	223,351
William & Audrey Walzer Preschool	204,078	-	-	204,078
Other Community Services	78,527	-	-	78,527
Grants and Allocations to Community Organizations	133,667	812,808	(331,153)	615,322
Total Program Services	<u>754,596</u>	<u>812,808</u>	<u>(331,153)</u>	<u>1,236,251</u>
<b>SUPPORT SERVICES</b>				
Fundraising	127,980	482	-	128,462
Management and General	35,972	271,383	(207,859)	99,496
Total Support Services	<u>163,952</u>	<u>271,865</u>	<u>(207,859)</u>	<u>227,958</u>
Total Expenses	<u>918,548</u>	<u>1,084,673</u>	<u>(539,012)</u>	<u>1,464,209</u>
Excess (Deficit) of Public Support and Revenue Over Expenses Before Other Changes in Net Assets	(42,244)	(1,347,111)	-	(1,389,355)
<b>OTHER CHANGES IN NET ASSETS</b>				
Income - Jewish Center, LLC	(101,024)	-	-	(101,024)
Change in Annuities	-	33	-	33
Transfer of Endowment Funds to Federation Reserve	52,764	(52,764)	-	-
Total Other Changes in Net Assets	<u>(48,260)</u>	<u>(52,731)</u>	<u>-</u>	<u>(100,991)</u>
NET CHANGE IN NET ASSETS	(90,504)	(1,399,842)	-	(1,490,346)
NET ASSETS, BEGINNING OF THE YEAR	<u>1,246,100</u>	<u>17,998,372</u>	<u>-</u>	<u>19,244,472</u>
NET ASSETS, END OF THE YEAR	<u>\$ 1,155,596</u>	<u>\$ 16,598,530</u>	<u>\$ -</u>	<u>\$ 17,754,126</u>

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JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Operating Fund</u>	<u>Endowment Fund</u>	<u>Eliminations</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net Change in Net Assets	\$ (21,731)	\$ (834,304)	\$ -	\$ (856,035)
Adjustments to Reconcile Net Change in Net Assets to Net Cash Provided (Used) by Operating Activities:				
Depreciation	2,039	2,962		5,001
Allowance for Bad Debts	(1,565)	-		(1,565)
Loss Allocation-Jewish Center, LLC	104,639	-		104,639
Net Depreciation of Investments	6,485	1,025,163		1,031,648
Changes in Current Assets and Liabilities:				
Decrease in Pledges Receivable	2,660	10,000		12,660
(Increase) in Other Receivables	(2,420)	(11,700)	1,700	(12,420)
(Increase) in Prepaid Expenses	(684)	-		(684)
(Increase) Decrease in Due From Other Fund	1,075	-	(1,075)	-
Increase (Decrease) in Accounts Payable	4,635	(214)		4,421
(Decrease) in Accrued Expenses	(4,008)	-		(4,008)
Increase (Decrease) in Due To Other Fund	1,700	(1,975)	275	-
(Decrease) in Deferred Revenue	(10,603)	-		(10,603)
Increase (Decrease) in Grants Payable	(27,145)	45,600	(900)	17,555
(Decrease) in Annuities Payable		(31)		(31)
Net Cash Provided by Operating Activities	<u>55,077</u>	<u>235,501</u>	<u>-</u>	<u>290,578</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Net (Purchases) of Investments	<u>(58,427)</u>	<u>(93,801)</u>		<u>(152,228)</u>
Net Cash (Used) by Investing Activities	<u>(58,427)</u>	<u>(93,801)</u>	<u>-</u>	<u>(152,228)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(3,350)</b>	<b>141,700</b>	<b>-</b>	<b>138,350</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>345,730</u>	<u>273,924</u>	<u>-</u>	<u>619,654</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 342,380</u>	<u>\$ 415,624</u>	<u>\$ -</u>	<u>\$ 758,004</u>

JEWISH COMMUNITIES  
OF WESTERN CONNECTICUT, INC.  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Operating Fund</u>	<u>Endowment Fund</u>	<u>Eliminations</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net Change in Net Assets	\$ (90,504)	\$ (1,399,842)	\$ -	\$ (1,490,346)
Adjustments to Reconcile Net Change in Net Assets to Net Cash Provided (Used) by Operating Activities:				
Depreciation	3,708	3,328	-	7,036
Allowance for Bad Debts	(319)	-	-	(319)
Loss Allocation-Jewish Center, LLC	101,024	-	-	101,024
Net Appreciation of Investments	4,667	1,023,898	-	1,028,565
Changes in Current Assets and Liabilities:				
Decrease in Pledges Receivable	16,592	-	-	16,592
Decrease in Other Receivables	4,380	-	-	4,380
(Increase) in Prepaid Expenses	(1,106)	-	-	(1,106)
(Increase) Decrease in Due From Other Fund	(475)	204	271	-
(Decrease) in Accounts Payable	(9,169)	(955)	-	(10,124)
(Decrease) in Accrued Expenses	(2,762)	-	-	(2,762)
Increase (Decrease) in Due To Other Fund	(204)	475	(271)	-
Increase in Deferred Revenue	3,144	-	-	3,144
Increase in Grants Payable	-	26,100	-	26,100
(Decrease) in Annuities Payable	-	(33)	-	(33)
Net Cash Provided (Used) by Operating Activities	<u>28,976</u>	<u>(346,825)</u>	<u>-</u>	<u>(317,849)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Net (Purchases) of Investments	<u>(55,699)</u>	<u>445,009</u>	<u>-</u>	<u>389,310</u>
Net Cash Provided (Used) by Investing Activities	<u>(55,699)</u>	<u>445,009</u>	<u>-</u>	<u>389,310</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(26,723)</b>	<b>98,184</b>	<b>-</b>	<b>71,461</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>372,453</u></b>	<b><u>175,740</u></b>	<b><u>-</u></b>	<b><u>548,193</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 345,730</u></b>	<b><u>\$ 273,924</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 619,654</u></b>

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