



Young Audiences of Massachusetts
Developing The Next Generation of Creative Thinkers

ARTS FOR LEARNING

Financial Statements

For the Years Ended June 30, 2012 and 2011

Young Audiences of Massachusetts, Inc.
For the Years Ended June 30, 2012 and 2011

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Young Audiences of Massachusetts, Inc.
For the Years Ended June 30, 2012 and 2011

Independent Auditor's Report

To the Board of Directors
Young Audiences of Massachusetts

We have audited the accompanying statement of financial position of Young Audiences of Massachusetts, Inc. (a nonprofit organization) as of June 30, 2012 and 2011 and the related statements of activities 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. 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 Young Audiences of Massachusetts, Inc. as of June 30, 2012 and 2011, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Tobolsky & Wachler CPAs, LLC". The signature is written in a cursive style and is positioned above a horizontal line.

Tobolsky & Wachler CPAs, LLC
Sharon, Massachusetts
May 3, 2013

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

Young Audiences of Massachusetts, Inc.
Statement of Financial Position
For the Years Ended June 30, 2012 and 2011

	2012				2011			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
ASSETS								
CURRENT ASSETS								
Cash and Cash Equivalents (see Notes)	\$ 78,450	\$ -	\$ -	\$ 78,450	\$ 77,144	\$ -	\$ -	\$ 77,144
Short-Term Investments (see Notes)	46,528	23,278	-	69,806	22,320	73,216	-	95,536
Accounts Receivable (see Notes)	1,728	-	-	1,728	9,173	-	-	9,173
Grants and Pledges Receivable (see Notes)	4,200	2,100	-	6,300	-	19,660	-	19,660
Prepaid Expenses	12,866	-	-	12,866	13,318	-	-	13,318
Total Current Assets	143,772	25,378	-	169,151	121,954	92,876	-	214,830
LONG-TERM ASSETS								
Long-Term Investments (see Notes)	-	50,000	250,120	300,120	-	50,000	250,120	300,120
Security Deposit	1,949	-	-	1,949	2,500	-	-	2,500
Property and Equipment, Net (see Notes)	1,703	-	-	1,703	3,407	-	-	3,407
Total Long-Term Assets	3,652	50,000	250,120	303,772	5,907	50,000	250,120	306,028
TOTAL ASSETS	\$ 147,424	\$ 75,378	\$ 250,120	\$ 472,923	\$ 127,862	\$ 142,876	\$ 250,120	\$ 520,858
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Accounts Payable and Accrued Expenses	\$ 8,236	\$ -	\$ -	\$ 8,236	\$ 13,117	\$ -	\$ -	\$ 13,117
Deferred Revenue (see Notes)	9,505	-	-	9,505	14,496	-	-	14,496
Total Liabilities	17,741	-	-	17,741	27,613	-	-	27,613
NET ASSETS								
Unrestricted Net Assets	125,483	-	-	125,483	100,251	-	-	100,251
<i>Temporarily Restricted Net Assets</i>								
Healing Arts for Kids	-	-	-	-	-	15,375	-	15,375
Horizon for Homeless Children	-	-	-	-	-	57,500	-	57,500
Advocacy Program	-	29,578	-	29,578	-	20,000	-	20,000
National Endowment for the Arts Grant	-	50,000	-	50,000	-	50,000	-	50,000
<i>Subtotal</i>	<i>-</i>	<i>79,578</i>	<i>-</i>	<i>79,578</i>	<i>-</i>	<i>142,875</i>	<i>-</i>	<i>142,875</i>
<i>Permanently Restricted Net Assets</i>								
National Endowment for the Arts Match	-	-	150,000	150,000	-	-	150,000	150,000
Endowment	-	-	100,120	100,120	-	-	100,120	100,120
<i>Subtotal</i>	<i>-</i>	<i>-</i>	<i>250,120</i>	<i>250,120</i>	<i>-</i>	<i>-</i>	<i>250,120</i>	<i>250,120</i>
Total Net Assets (see Notes)	125,483	79,578	250,120	455,181	100,251	142,875	250,120	493,246
TOTAL LIABILITIES AND NET ASSETS	\$ 143,224	\$ 79,578	\$ 250,120	\$ 472,923	\$ 127,863	\$ 142,875	\$ 250,120	\$ 520,858

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

Young Audiences of Massachusetts, Inc.
Statement of Activities
As of June 30, 2012 and 2011

	2012				2011			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE:								
Program Fees, Net of Discount of \$3,263 and \$5,872	\$ 459,245	\$ -	\$ -	\$ 459,245	\$ 489,907	\$ -	\$ -	\$ 489,907
Grants and Contributions	74,468	65,000	-	139,468	90,325	92,500	-	182,825
Fundraising and Special Events	2,770	-	-	2,770	31,103	-	-	31,103
Donated Services (see Note 1i)	3,164	-	-	3,164	11,547	-	-	11,547
Miscellaneous Income	657	-	-	657	315	-	-	315
Net Assets Released from Restrictions	128,297	(128,297)	-	-	68,640	(68,640)	-	-
Total Support and Revenue (see Note 1h)	668,602	(63,297)	-	605,305	691,837	23,860	-	715,697
OPERATING EXPENSES:								
Arts in Education Programs	527,537	-	-	527,537	595,163	-	-	595,163
Management and General Administrative (see Note 7)	67,251	-	-	67,251	95,287	-	-	95,287
Fundraising	39,410	-	-	39,410	43,396	-	-	43,396
Total Operating Expenses	634,198	-	-	634,198	733,845	-	-	733,845
<i>Changes in Net Assets from Operations</i>	<i>34,404</i>	<i>(63,297)</i>	<i>-</i>	<i>(28,893)</i>	<i>(42,008)</i>	<i>23,860</i>	<i>-</i>	<i>(18,148)</i>
NON-OPERATING REVENUE (EXPENSES):								
Interest and Dividends	5,780	-	-	5,780	8,164	-	-	8,164
Investment Fees	(2,807)	-	-	(2,807)	(2,727)	-	-	(2,727)
Net Realized Gains on Investments	704	-	-	704	414	-	-	414
Net Unrealized Gains (Losses) on Investments	(12,848)	-	-	(12,848)	69,399	-	-	69,399
Total Non-Operating Revenue:	(9,171)	-	-	(9,171)	75,249	-	-	75,249
Increase (Decrease) in Net Assets	\$ 25,233	\$ (63,297)	\$ -	\$ (38,064)	\$ 33,241	\$ 23,860	\$ -	\$ 57,101
CHANGE IN NET ASSETS								
Net Assets, Beginning of Year	25,233	(63,297)	-	(38,064)	33,241	23,860	-	57,101
	100,250	142,875	250,120	493,245	67,009	119,015	250,120	436,144
Net Assets, End of Year	\$ 125,484	\$ 79,578	\$ 250,120	\$ 455,181	\$ 100,250	\$ 142,875	\$ 250,120	\$ 493,245

SUPPLEMENTAL DISCLOSURE OF STATEMENT OF ACTIVITIES INFORMATION

	2012	2011
Payments to Affiliated Organizations (see Note 8)	\$ 8,727	\$ 11,280

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

Young Audiences of Massachusetts, Inc.
Statement of Cash Flows
For the Years Ended June 30, 2012 and 2011

	2012	2011
OPERATING ACTIVITIES:		
Change in Net Assets from Operations	(38,064)	57,101
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Dividends reinvested	(5,721)	(8,130)
Realized and unrealized loss (gain) on investments, net	12,144	(69,813)
Changes in Operating Assets and Liabilities		
Decrease (Increase) in Accounts Receivable, Net	20,804	(12,044)
Decrease (Increase) in Prepaid Expenses	452	(4,001)
Decrease (Increase) in Security Deposit	551	-
Increase (Decrease) in Depreciation	2,897	3,664
Increase (Decrease) in Accounts Payable and Accrued Expenses	(4,881)	7,106
Increase (Decrease) in Deferred Revenue	(4,991)	6,030
Net Cash Operating Activities	(16,807)	(20,087)
INVESTING ACTIVITIES:		
Investment in Property and Equipment	-	(5,111)
Purchases of Investments	(85,203)	(73,848)
Proceeds from Sales of Investments	103,317	78,631
Net Cash Investing Activities	18,114	(328)
FINANCING ACTIVITIES		
None		
Net Increase in Cash and Cash Equivalents	1,307	(20,415)
Cash and Cash Equivalents, Beginning of Year	77,144	97,559
Cash and Cash Equivalents, End of Year	78,450	77,144

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

Young Audiences of Massachusetts, Inc.
Notes to the Financial Statements
For the Years Ended June 30, 2012 and 2011

1. Nature of Organization and Significant Accounting Policies

Young Audiences of Massachusetts, Inc. (YAMA) was incorporated in October 1962 to initiate life-long involvement in the arts by making them integral to every child's education, regardless of the student's background, talents or special needs. YAMA serves as the vital link between Massachusetts' best performing artists, arts organizations and the region's school children. Young Audiences has more than 110 teaching artists who are nationally and internationally recognized in their fields and have the passion and expertise to work with and inspire children. During the fiscal year, Young Audiences reached over 150,000 students in urban, rural and suburban school districts throughout Massachusetts.

YAMA is affiliated with a national network of 31 Young Audiences' chapters, comprising the largest arts education network in the country. Every year, Young Audiences provides over 220,000 student / artist interactions through 1,500 performances, workshops and residencies in 450 sites.

Approximately 76% and 68%, respectively, for the years then ended of the Organization's support comes from program fees. The remaining support comes from individual and foundation donor contributions.

YAMA sponsors the following major programs:

- ***Assembly Performances.*** Interactive and educational performances that inspire and motivate! Through performances and assemblies, our nationally and internationally recognized professional artists and authors bring school curriculum to life through music, dance, performance and storytelling. Students can experience a broad range of programs – everything from African drumming to Shakespeare. Programs are selected to correspond to the Massachusetts Curriculum Standards.
- ***Artists-in-Residence.*** These multiple-session programs bring in professional teaching artists who integrate an art form into other subject areas. Each residency is planned in collaboration with classroom teachers and customized to fit the needs of each curriculum and school.
- ***Workshops.*** Introductory hands-on sessions that allow groups of up to 25 students to practice an art form with professional artists in a focused environment.
- ***Healing Arts for Kids.*** Provides assembly programs, workshops, and residencies for acutely and chronically ill children, physically and emotionally challenged children, and other special education populations in schools, hospital schools, hospitals and homeless shelters. In March 2010, this program was selected as one of ten national recipients to receive an *Arts Connect All* grant from Very Special Arts (VSA) and MetLife Foundation. This program encompasses:
 - ❖ *Expanding Horizons Through Music* a preschool music / literacy residency for at risk-children; and
 - ❖ *Together We Can Fly*, a unique program uniting disabled and non-disabled students through the arts

Young Audiences of Massachusetts, Inc.
Notes to the Financial Statements
For the Years Ended June 30, 2012 and 2011

a. **Financial Statement Presentation**

i. **Basis of Presentation**

The Organization reports information regarding the cost of providing various programs and activities summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

ii. **Display of Net Assets by Class**

Financial statement presentation follows the recommendation of the Financial Accounting Standards Board in FASB ASC 958-210-45. Under this ASC, the Association is required to report information regarding its financial position and activities to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. A description of the three net asset categories follows:

- *Unrestricted* - Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.
- *Temporarily Restricted* - Net assets whose use by the Association is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time.
- *Permanently Restricted* - Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization.

b. **Cash and Cash Equivalents**

YAMA considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents. Restricted cash and cash equivalents are limited in use for payment of program costs to be expended during fiscal year 2012.

Cash and cash equivalents include bank accounts and money market accounts. At June 30, 2012 and 2011, cash and cash equivalents included \$78,450 and \$77,144 respectively, held in commercial banks which were insured by the Federal Deposit and Insurance Corporation and \$14,266 and \$14,263 respectively, held in money market funds. Cash and cash equivalents exclude cash designated or restricted for the endowment fund.

c. **Accounts Receivable**

Accounts Receivable, Pledges Receivable and Grants Receivable are stated at unpaid balances. Management anticipates that uncollected amounts are insignificant and will be collected within the next fiscal year.

d. **Grants and Pledges Receivable**

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 Organization reports that support as unrestricted. The grants and pledges receivable balance at June 30, 2012 is \$6,300 and is expected to be collected within one year.

Young Audiences of Massachusetts, Inc.
Notes to the Financial Statements
For the Years Ended June 30, 2012 and 2011

e. **Investments**

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values based on quoted prices in active markets (all Level 1 measurements) in the Statement of Financial Position. Unrealized gains and losses are included in the Change in Net Assets in the accompanying Statement of Activities. Investment income and gains / losses are reported as increases / decreases in unrestricted net assets.

f. **Property, Plant and Equipment**

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged against General and Administrative expenses. Renewals and betterments that materially extend the life of the assets are capitalized.

Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

Computer Equipment	3 years
Furniture and Equipment	5 years

g. **Deferred Revenue**

Deferred revenue consists of program fees received for services not yet rendered. These program fees will be recognized as revenue when the services are provided to the schools by the artists or performer.

h. **Revenue Recognition**

Program fees are recognized when the services are provided to the schools by the artist or performer. All contributions are considered available for YAMA's general programs unless specifically restricted by the donor. Support that is not restricted by the donor is reported as an increase in unrestricted net assets. Contributions that are restricted by the donor are also reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

i. **Donated Services**

The Organization recognizes the fair value of contributed services received if such services (1) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. YAMA benefited from donated legal and accounting services which were valued by the firms providing the services at \$3,164 and \$11,547 during the years ended June 30, 2012 and 2011.

j. **Advertising Costs**

The Organization expenses advertising production costs the first time the advertising occurs. YAMA also produces an annual catalog which is mailed to the schools. The costs associated with the annual catalog are expensed since the anticipated future benefit expires within the

Young Audiences of Massachusetts, Inc.
Notes to the Financial Statements
For the Years Ended June 30, 2012 and 2011

current fiscal year. Management estimates that advertising expense for the years ended June 30, 2012 and 2011 was \$1,219 and \$9,326 respectively.

k. Income Taxes

YAMA is exempt from Federal and State income taxes under provisions of Section 501(c)(3) of the U.S. Internal Revenue Code and similar state statutes. Unrelated business income, of which the Organization had none for the years ending June 30, 2012 and 2011, would be subject to both federal and state income taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

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 and disclosures. Accordingly, actual results could differ from those estimates.

2. Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values based on quoted prices in active markets (all Level 1 measurements) in the Statement of Financial Position. Unrealized gains and losses are included in the Change in Net Assets in the accompanying Statement of Activities. Investment income and gains are reported as increases in unrestricted net assets. Investments at June 30, 2012 and 2011 were comprised of the following:

	2012	2011
Stock Funds	\$ 243,799	\$ 274,575
Bond Funds	102,522	104,398
Money Market	<u>23,606</u>	<u>16,683</u>
Total Investments	\$ 369,927	\$ 395,656

Investment income from these investments for the years ended June 30, 2012 and 2011 is summarized as follows:

	2012	2011
Interest and Dividend Income	\$ 5,780	\$ 8,164
Investment Fees	(2,807)	(2,727)
Net Realized and Unrealized Gains	<u>(12,144)</u>	<u>69,813</u>
Total Investment Return	\$ (9,171)	\$ 75,249

3. Accounts, Pledges and Grants Receivable

Unconditional promises to give are recorded as receivables and revenues when received. YAMA distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. Uncollected promises are expected to be insignificant.

Young Audiences of Massachusetts, Inc.
Notes to the Financial Statements
For the Years Ended June 30, 2012 and 2011

	2012	2011
Accounts Receivable (program fees)	\$ 1,728	\$ 9,173
Grants Receivable (Unrestricted)	4,200	-
Temporarily Restricted Grants - Arts in Education Program	2,100	-
Temporarily Restricted Grants - Healing Arts Program	-	7,660
Temporarily restricted Grants - Advocacy Program	-	12,000
Totals	\$ 8,028	\$ 28,833

4. Property and Equipment

Property and equipment in the accompanying financial statements is presented net of accumulated depreciation. The components of property and equipment at June 30, 2012 and 2011 are as follows:

	2012	2011
Office Equipment	\$ 11,330	\$ 11,330
Accumulated Depreciation	<u>(11,330)</u>	<u>(11,330)</u>
	-	-
Computer Equipment	16,871	16,871
Accumulated Depreciation	<u>(15,167)</u>	<u>(13,464)</u>
	1,704	3,407
Furniture and Fixtures	4,710	4,710
Accumulated Depreciation	<u>(4,710)</u>	<u>(4,710)</u>
	-	-
Total Property and Equipment	\$ 1,704	\$ 3,407

Depreciation expense was \$1,703 and \$3,664 for the years ended June 30, 2012 and 2011.

5. Endowments / Permanently Restricted Net Assets

Interpretation of Relevant Law

YAMA's Board of Directors has interpreted the Commonwealth of Massachusetts enacted version of 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, the Organization classifies as permanently restricted net assets:

- (i) The original value of gifts donated to the permanent endowment;
- (ii) The original value of subsequent gifts to the permanent endowment; and
- (iii) Accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets, until those amounts are

Young Audiences of Massachusetts, Inc.
Notes to the Financial Statements
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appropriated for expenditure by YAMA in a manner consistent with the standard of prudence prescribed by UPMIFA.

YAMA's Board classifies donor restricted funds and earnings thereon in accordance with applicable state law as interpreted by the Attorney General of Massachusetts. Accordingly, if the donor agreement does not prohibit the expenditures of appreciation, such gains would be classified as unrestricted net assets. Endowment fund assets are appropriated for expenditure in accordance with the directions and/or intent of the donor.

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

- (a) The duration and preservation of the fund;
- (b) The purposes of the Organization and the donor-restricted endowment fund;
- (c) General economic conditions;
- (d) The possible effects of inflation and deflation;
- (e) The expected total return from income and the appreciation of investments;
- (f) Other resources of the Organization; and
- (g) The investment policies of the Organization

Return Objective and Risk Parameters

YAMA's objective is to earn a respectable, long-term, risk-adjusted total rate of return to support the designated programs. The Organization recognizes and accepts that pursuing a respectable rate of return involves risk and potential volatility. The primary long-term financial objective is to preserve the value of the endowment investment portfolio to the extent possible and provide a reasonably predictable stream of revenue to provide appropriate funding to the programs supported by endowment funds. To satisfy its objectives, the Organization targets a diversified asset allocation that primarily includes fixed income and money market fund investments that are within prudent risk constraints. The asset allocation is evaluated on a regular basis.

Spending Policy

The Organization will appropriate for expenditure in its annual budget up to a maximum of 7% of the rolling average of the market value of the endowment assets over the preceding 12 quarters, the base to be adjusted for new capital contributions to the endowment. There may be times when the Organization may opt not to take the maximum spending rate but rather reinvest some of the annual return. This spending rate is based on the long-term assumption of 8% of nominal investment returns and a 3% inflation rate.

Changes in Endowment Net Assets

Changes in endowment net assets for the years ended June 30, 2012 and 2011 are as follows:

Young Audiences of Massachusetts, Inc.
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	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
2012				
Endowment Net Assets, Beginning of Year	\$ -	\$ 50,000	\$ 250,120	\$ 300,120
Contributions	-	-	-	-
Net Investment Return	(7,440)	-	-	(7,440)
Amounts Appropriated for Expenditure by the Board	7,440	-	-	7,440
Endowment Net Assets, As of June 30, 2011	\$ -	\$ 50,000	\$ 250,120	\$ 300,120
2011				
Endowment Net Assets, Beginning of Year	\$ -	\$ 50,000	\$ 250,120	\$ 300,120
Contributions	-	-	-	-
Net Investment Return	-	57,080	-	57,080
Amounts Appropriated for Expenditure by the Board	-	(57,080)	-	(57,080)
Endowment Net Assets, As of June 30, 2010	\$ -	\$ 50,000	\$ 250,120	\$ 300,120

In fiscal year 2000, the National Endowment for the Arts (NEA) awarded YAMA with a \$50,000 grant for planning and stabilization. In order to qualify for this grant, the Organization raised matching funds of \$150,000 by June 30, 2003.

The NEA grant is a restricted term endowment for ten years commencing on July 1, 2003. The earnings from this term endowment can be used to support continuing programs and stabilize the Organization as it expands its operations.

6. Leasing Arrangements

Rental of Office Space

YAMA leases its Boston office under a two-year non-cancelable operating lease that expires March 31, 2013. Annual lease payments are \$23,383 plus utilities. The rent and utility expense for the year ended June 30, 2012 and 2011 was \$26,958 and \$31,361, respectively. The minimum lease payments required for the rental of office space as of June 30, 2012 is:

FY 2013	\$ 17,538
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Office Equipment Lease – Copier / Printer

YAMA leases its copier / printer under a 39-month operating lease that expires November 26, 2011 and its automated mailing system under a 57-month operating lease that expires August 17, 2014. The minimum lease payments required for the rental of both the copier / printer and the automated mailing system as of June 30, 2012 are:

	Mailing System	Total
FY 2013	\$ 2,232	\$ 2,232
FY 2014	279	279

7. Management and General Administrative – Capacity Building

In 2010, the Organization embarked on a strategic initiative to increase its operational capacity in order to better support the YAMA's program services in the long-term. During FY12 and FY11, the

Young Audiences of Massachusetts, Inc.
Notes to the Financial Statements
For the Years Ended June 30, 2012 and 2011

Organization continued its investment in significant resources in Management and General Administrative expenses in order to properly support this endeavor.

8. Related Party Transactions

YAMA is affiliated with a national network of 31 Young Audiences' chapters thereby providing arts-in-education programs to over 7 million school children annually. The national organization, Young Audiences, Inc., provides member affiliates with learning resources, technical assistance, conferences and professional development. For the years ended June 30, 2012 and 2011, YAMA paid membership fees of \$8,727 and \$11,280 to Young Audiences, Inc.

9. Subsequent Events

The Organization has evaluated all subsequent events through May 3, 2013, which is the date the financial statements were available to be issued.