Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Financial Report
June 30, 2016

Contents

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Independent Auditor's Report

To the Board of Directors
Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc. (collectively, the Organization) which comprise the consolidated statement of financial position as of June 30, 2016, and the related consolidated statements of activities, functional expenses and direct program revenue, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc. as of June 30, 2016, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter
As discussed in Notes 1 and 13 to the consolidated financial statements, the Benjamin J. and Hannah S. Rosenthal Camp Inc. ceased operations during the year and it accounts and activities are classified in these consolidated financial statements as discontinued operations. Our opinion is not modified with respect to this matter.

In addition, as discussed in Note 15, the summarized 2015 financial statements have been restated to correct a classification of net assets. Our opinion is not modified with respect to this matter.

Other Matter
Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating and other supplementary information is presented for purposes of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual companies and is not a required part of the consolidated 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 consolidated financial statements. The consolidating and other supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Report on Summarized Comparative Information
We have previously audited Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.'s 2015 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 23, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

RSM US LLP

Chicago, Illinois
October 24, 2016

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Statement of Financial Position
June 30, 2016 (With Comparative Totals for 2015, Restated)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Consolidated Totals 2016	Consolidated Totals 2015
Assets					
Cash and cash equivalents	$ 1,804,621	$ 485,124	$ 175,000	$ 2,464,745	$ 931,700
Accounts receivable:					
Government agencies	594,409	-	-	594,409	874,386
Special events and other	101,146	-	-	101,146	101,263
Due from broker	23,749	-	132,827	156,576	-
Prepaid expenses	29,317	-	-	29,317	77,394
Pledges receivable, net	-	326,348	325,000	651,348	72,500
Investments	376,008	996,355	2,485,385	3,857,748	4,165,902
Real estate held for sale	-	-	-	-	122,833
Property and equipment, net	1,012,596	-	-	1,012,596	1,913,394
Assets of discontinued operations					51,965
	$ 3,941,846	$ 1,807,827	$ 3,118,212	$ 8,867,885	$ 8,311,337

See notes to consolidated financial statements.

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Statement of Financial Position (Continued)
June 30, 2016 (With Comparative Totals for 2015, Restated)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Consolidated Totals 2016	Consolidated Totals 2015
Liabilities and Net Assets					
Liabilities:					
Accounts payable and accrued expenses	$ 546,367	$ -	$ -	$ 546,367	$ 490,218
Accrued compensated absences	6,812	-	-	6,812	6,440
Accrued payroll and payroll taxes	217,807	-	-	217,807	175,584
Deferred revenue	26,440	-	-	26,440	17,766
Deferred rent	83,924	-	-	83,924	103,137
Loans payable	300,000	-	-	300,000	500,000
Pension liability	206,036	-	-	206,036	232,668
	1,387,386	-	-	1,387,386	1,525,813
Net assets (deficit):					
Unrestricted:					
Undesignated for general activities	795,596	-	-	795,596	(573,357)
Designated by the Board of Directors for investment purposes	746,268	-	-	746,268	831,842
Invested in property and equipment	1,012,596	-	-	1,012,596	1,965,359
	2,554,460	-	-	2,554,460	2,223,844
Temporarily restricted:					
Special purposes	-	1,807,827	-	1,807,827	458,893
Permanently restricted:					
Endowment fund	-	-	3,118,212	3,118,212	4,102,787
	2,554,460	1,807,827	3,118,212	7,480,499	6,785,524
	$ 3,941,846	$ 1,807,827	$ 3,118,212	$ 8,867,885	$ 8,311,337

See notes to consolidated financial statements.

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Statement of Activities
Year Ended June 30, 2016 (With Comparative Totals for 2015, Restated)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Consolidated Totals 2016	Consolidated Totals 2015
Revenue:					
Public support:					
Direct:					
Contributions	$ 804,137	$ 699,591	$ 504,020	$ 2,007,748	$ 1,360,238
Contributions - in-kind	-	-	-	-	90,840
Special events (net of directly related expenses of $163,948 and $137,197, respectively)	632,168	-	-	632,168	556,446
	1,436,305	699,591	504,020	2,639,916	2,007,524
Indirect:					
United Way of Metropolitan Chicago	82,000	-	-	82,000	100,000
	1,518,305	699,591	504,020	2,721,916	2,107,524
Direct program revenue:					
Fees and grants from governmental agencies	6,015,590	-	-	6,015,590	7,061,228
Program service fees	277,966	-	-	277,966	266,484
Contractual revenue	3,735	-	-	3,735	24,349
	6,297,291	-	-	6,297,291	7,352,061
Other revenue:					
Miscellaneous income	14,231	-	-	14,231	2,566
Impairment loss on real estate held for sale	-	-	-	-	(46,875)
Gain on sale of capital assets	851,563	-	-	851,563	-
Investment income (loss)	240,587	(263,727)	-	(23,140)	(10,237)
Realized gains on sale of marketable securities	16,686	138,417	-	155,103	379,579
Unrealized loss on marketable securities	(46,354)	(366,930)	-	(413,284)	(363,319)
	1,076,713	(492,240)	-	584,473	(38,286)
Net assets released from restrictions:					
Satisfaction of program restrictions	347,012	(347,012)	-	-	-
	9,239,321	(139,661)	504,020	9,603,680	9,421,299

See notes to consolidated financial statements.

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Statement of Activities (Continued)
Year Ended June 30, 2016 (With Comparative Totals for 2015, Restated)

		Temporarily	Permanently	Consolidated Totals	
	Unrestricted	Restricted	Restricted	2016	2015
Expenses:					
Program services:					
Early Childhood Education	$ 4,753,235	$ -	$ -	$ 4,753,235	$ 4,805,830
Counseling		-	-	-	987,416
School Age Child Development	1,714,651	-	-	1,714,651	1,512,445
Teen Leadership Development	1,391,494	-	-	1,391,494	1,444,357
	7,859,380	-	-	7,859,380	8,750,048
Supporting services:					
Management and general	769,095	-	-	769,095	791,238
Development and fundraising	304,603	-	-	304,603	255,978
	1,073,698	-	-	1,073,698	1,047,216
	8,933,078	-	-	8,933,078	9,797,264
Increase (decrease) in net assets from continuing operations	306,243	(139,661)	504,020	670,602	(375,965)
Discontinued operations	24,373	-	-	24,373	-
Increase (decrease) in net assets after discontinued operations	330,616	(139,661)	504,020	694,975	(375,965)
Net assets:					
Beginning of year, restated	2,223,844	1,947,488	2,614,192	6,785,524	7,161,489
End of year	$ 2,554,460	$ 1,807,827	$ 3,118,212	$ 7,480,499	$ 6,785,524

See notes to consolidated financial statements.

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Statement of Functional Expenses and Direct Program Revenue
Year Ended June 30, 2016 (With Comparative Totals for 2015)

	Program Services			
	Early Childhood Education	School Age Child Development	Teen Leadership Development	Program Services Total Forward
Salaries	$ 2,236,322	$ 922,404	$ 791,606	$ 3,950,332
Salaries - in-kind				-
Employee health and benefits	237,122	122,536	105,026	464,684
Payroll taxes	161,480	64,775	55,259	281,514
	2,634,924	1,109,715	951,891	4,696,530
Professional fees and contract service payments	1,143,945	109,486	84,954	1,338,385
Supplies	417,202	132,175	87,970	637,347
Telecommunications	29,750	13,675	12,027	55,452
Postage and shipping	8,608	2,569	1,971	13,148
Occupancy	284,735	96,738	79,337	460,810
Printing	199	937	776	1,912
Transportation	12,308	36,234	29,216	77,758
Conferences, conventions, and meetings	9,154	19,674	15,721	44,549
Subscriptions	23	204	199	426
Specific assistance to individuals	-	-	14,899	14,899
Membership dues	1,130	444	394	1,968
Equipment purchases, leases, and repairs and maintenance	77,711	41,715	32,248	151,674
Miscellaneous	28,115	1,633	1,349	31,097
Interest	-	-	-	-
	4,647,804	1,565,199	1,312,952	7,525,955
Depreciation and amortization	105,431	149,452	78,542	333,425
	$ 4,753,235	$ 1,714,651	$ 1,391,494	$ 7,859,380
Direct program revenue:				
Fees and grants from governmental agencies	$ 4,650,001	$ 714,197	$ 651,392	$ 6,015,590
Program service fees	14,861	260,291	2,814	277,966
Contractual revenue	-	-	3,735	3,735
	$ 4,664,862	$ 974,488	$ 657,941	$ 6,297,291

See notes to consolidated financial statements.

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Statement of Functional Expenses and Direct Program Revenue (Continued)
Year Ended June 30, 2016 (With Comparative Totals for 2015)

	Program Services Total Forwarded	Supporting Services			Consolidated Totals	
		Management and General	Development and Fundraising	Total	2016	2015
Salaries	$ 3,950,332	$ 431,763	$ 175,453	$ 607,216	$ 4,557,548	$ 4,749,273
Salaries - in-kind	-			-	-	90,840
Employee health and benefits	464,684	6,690	14,522	21,212	485,896	539,169
Payroll taxes	281,514	40,266	12,832	53,098	334,612	338,080
	4,696,530	478,719	202,807	681,526	5,378,056	5,717,362
Professional fees and contract service payments	1,338,385	81,288	47,491	128,779	1,467,164	1,995,233
Supplies	637,347	7,751	5,301	13,052	650,399	521,173
Telephone	55,452	19,154	2,700	21,854	77,306	64,907
Postage and shipping	13,148	937	2,160	3,097	16,245	19,509
Occupancy	460,810	76,247	26,747	102,994	563,804	633,923
Printing	1,912	6,025	3,530	9,555	11,467	35,296
Transportation	77,758	3,484	4,178	7,662	85,420	83,887
Conferences, conventions, and meetings	44,549	11,020	1,157	12,177	56,726	64,472
Subscriptions	426	706	2,085	2,791	3,217	3,751
Specific assistance to individuals	14,899	-	-	-	14,899	13,000
Membership dues	1,968	4,103	67	4,170	6,138	4,472
Equipment purchases, leases, and repairs and maintenance	151,674	8,434	5,948	14,382	166,056	141,534
Miscellaneous	31,097	37,703	432	38,135	69,232	60,757
Interest	-	26,674	-	26,674	26,674	20,882
	7,525,955	762,245	304,603	1,066,848	8,592,803	9,380,158
Depreciation and amortization	333,425	6,850	-	6,850	340,275	417,106
	$ 7,859,380	$ 769,095	$ 304,603	$ 1,073,698	$ 8,933,078	$ 9,797,264
Direct program revenue:						
Fees and grants from governmental agencies	$ 6,015,590	$ -	$ -	$ -	$ 6,015,590	$ 7,061,228
Program service fees	277,966	-	-	-	277,966	266,484
Contractual revenue	3,735	-	-	-	3,735	24,349
	$ 6,297,291	$ -	$ -	$ -	$ 6,297,291	$ 7,352,061

See notes to consolidated financial statements.

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Statement of Cash Flows
Year Ended June 30, 2016 (With Comparative Totals for 2015)

		2016		2015
Cash flows from operating activities:				
Increase (decrease) in net assets	**$**	**670,602**	$	(375,965)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:				
Depreciation and amortization		**340,275**		417,106
Realized gains on sale of marketable securities		**(155,103)**		(379,579)
Unrealized loss on marketable securities		**413,284**		363,319
Impairment loss on real estate held for sale		**-**		46,875
Gain on sale of capital assets		**(851,563)**		-
Contribution of securities		**(8,743)**		(260)
Permanently restricted contributions		**(504,020)**		(3,012)
Changes in:				
Accounts receivable		**280,094**		(26,223)
Due from broker		**(156,576)**		-
Prepaid expenses		**48,077**		(20,310)
Pledges receivable, net		**(578,848)**		(52,500)
Accounts payable and accrued expenses		**56,149**		(1,689)
Accrued compensated absences		**372**		(4,902)
Accrued payroll and payroll taxes		**42,223**		(34,139)
Deferred revenue		**8,674**		(42,030)
Deferred rent		**(19,213)**		(7,496)
Pension contributions		**(26,632)**		(25,983)
Net cash used in operating activities - continuing operations		**(440,948)**		(146,788)
Net cash used in operating activities - discontinued operations		**(37,388)**		-
Net cash used in operating activities		**(478,336)**		(146,788)
Cash flows from investing activities:				
Proceeds from sales of marketable securities		**2,015,645**		2,073,230
Purchases of marketable securities		**(1,956,929)**		(1,690,795)
Capital expenditures		**(157,065)**		(114,071)
Net cash used in investing activities - continuing operations		**(98,349)**		268,364
Net cash provided by investing activities - discontinued operations		**1,805,710**		-
Net cash provided by investing activities		**1,707,361**		268,364
Cash flows from financing activities:				
Borrowings on loan payable		**195,000**		150,000
Repayments on loan payable		**(395,000)**		(150,000)
Contributions to endowments		**504,020**		3,012
Net cash provided by financing activities - continuing operations		**304,020**		3,012
Net cash provided by financing activities - discontinued operations		**-**		-
Net cash provided by financing activities		**304,020**		3,012
Net change in cash and cash equivalents		**1,533,045**		124,588
Cash and cash equivalents:				
Beginning of year		**931,700**		807,112
End of year	**$**	**2,464,745**	$	931,700
Supplemental disclosure of cash flow information:				
Interest paid	**$**	**26,674**	$	23,285

See notes to consolidated financial statements.

Note 1. Nature of Activities and Significant Accounting Policies

Chicago Youth Centers is a nonprofit comprehensive youth service agency providing programs to economically disadvantaged youths in the Chicago area. Its main objective is to enable young people to become self-sufficient productive members of society through their involvement in its programs.

Benjamin J. and Hannah S. Rosenthal Camp, Inc. (Camp Rosenthal) is a nonprofit organization which owns and operates the camp for Chicago Youth Centers' activities. Certain operating expenses in excess of revenue incurred from conducting Camp Rosenthal's programs are funded by the investment earnings from the Rosenthal Endowment.

The members of the Board of Directors of Chicago Youth Centers also serve as the members of the Board of Directors of Camp Rosenthal, and the officers hold the same offices in both organizations.

The Board of Directors approved suspending operations at Camp Rosenthal effective January 31, 2016. On March 24, 2016, the Board of Directors approved the sale of Camp Rosenthal; the sale was finalized June 1, 2016. See footnote 13 for discussion of the discontinuing of Camp Rosenthal activities.

A summary of significant accounting policies is as follows:

Consolidation policy: The consolidated financial statements include the accounts of Chicago Youth Centers and Camp Rosenthal (collectively, the Organization). All material inter-company accounts and transactions of the Organization have been eliminated in consolidation.

Basis of presentation: The consolidated financial statements of the Organization are presented on a consolidated basis and have been prepared in conformity with accounting principles applicable to nonprofit organizations.

The Organization maintains its financial accounts in accordance with the principles and practices of fund accounting, in order to ensure the observance of limitations and restrictions placed on the use of available resources. This is the procedure by which resources for various purposes are classified for accounting purposes into funds established in accordance with their nature and purpose. For financial reporting purposes, fund balances and related activities of the various funds are classified as either unrestricted, temporarily, or permanently restricted based on the existence or absence of donor-imposed restrictions.

Unrestricted Net Assets. Net assets that are not subject to donor-imposed restrictions, including the carrying value of all physical properties (land, buildings and equipment). Items that affect (i.e., increase or decrease) this net asset category include amounts received from government agencies, program service fees and all expenses associated with the core activities of the Organization. In addition to these exchange transactions, changes in this category of net assets include certain types of philanthropic support, namely unrestricted contributions and foundation grants, investment income and restricted contributions and foundation grants whose donor-imposed restrictions were met during the fiscal period.

Temporarily Restricted Net Assets. Net assets subject to donor-imposed restrictions that may or will be met either by actions of the Organization or the passage of time. Items that affect this net asset category are restricted contributions, pledges, and grants. These amounts are reclassified to unrestricted net assets when such restrictions are met or have expired. These reclassifications are reported in the consolidated statement of activities as net assets released from restrictions.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Permanently Restricted Net Assets. Net assets subject to donor-imposed restrictions which require that they be maintained permanently (i.e., in perpetuity) by the Organization. Earnings on investments of these endowment funds are included in temporarily restricted revenue until appropriated for expenditure unless otherwise specified by donors, or by the Organization's policies.

The Organization may use all or part of the income earned on the related investments for unrestricted purposes upon appropriation.

Cash and cash equivalents: The Organization considers all highly liquid investments with a maturity of three months or less at time of purchase to be cash equivalents. The Organization maintains its deposits in bank accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Accounts receivable: Receivables are valued at management's estimate of the amount that will ultimately be collected. There is no allowance for doubtful accounts for 2016 which is based on the Organization's historical collection experience, known and inherent risks of the contributors comprising the Organization's receivable balance, adverse situations that may affect the contributor's ability to pay, and current economic conditions.

Due from broker: The Organization's position in their pooled investment partnership was partially liquidated as of June 30, 2016 and this amount represents the balance in transit from the broker to the investment portfolio custodian at June 30, 2016.

Valuation of investments: Investments are presented in the consolidated financial statements at fair value in accordance with accounting principles generally accepted in the United States of America.

Investment income (loss), realized gains, and change in unrealized gains (losses) are reflected in the consolidated statement of activities. Investments received as contributions are recorded at fair value at the date of receipt. The Organization's investment portfolio is subject to various risks, such as interest rate, credit and overall market volatility. Because of these risks, it is possible changes in the fair value of investments may occur and that such changes could materially affect the Organization's consolidated financial statements.

Included in the investment returns of the Organization are investment fees of $19,743 for the year ended June 30, 2016.

Property and equipment: Property and equipment are stated at cost, except for donated assets, which are recorded at fair value at the time of receipt. Additions and improvements to existing property and equipment over $1,500 during the year are capitalized, while general maintenance and repairs are charged to expense. The cost and accumulated depreciation of items sold or returned are removed from the property and equipment account and any gain or loss upon disposition is recognized at that time.

The Organization recognizes depreciation as a cost of providing current services. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is computed on the straight-line method over the shorter of the estimated lives of the improvements or the term of the lease.

Deferred revenue: Fees are paid in advance for certain program activities. Fees unearned at year-end are reflected as deferred revenue.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Rentals and expenses: Base rentals due under facility leases, net of rental incentives received, are recognized as rental expense on a ratable or straight-line basis over the lease term. The deferred rent liability is being amortized over the term of the lease as a reduction of rental expense.

Government grants: The Organization receives funding under grants from various federal, state and local government agencies. In accordance with the terms of the government contracts, revenue is recognized as income in the contract period in which services are provided.

Contributions: Contributions are recorded as revenue when received or pledged. Donors' promises to give cash and other assets that are conditional are not recognized until the conditions on which they depend are substantially met. Contributions received with donor-imposed temporary restrictions are recorded as temporarily restricted revenue, unless satisfaction of restrictions occurs in the same year as revenue recognition, in which case the contributions are recorded as unrestricted revenue.
Donated materials and other noncash donations are recorded as contributions at their estimated fair values on the date received. Many individuals volunteer their time and perform a variety of tasks that assist the Organization with their programs and administration, but these donated services are not reflected in the consolidated financial statements because they do not meet the requirements for inclusion.

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization reports such contributions at their estimated fair value when received. For the year ended June 30, 2016, the Organization recorded no in-kind contribution revenue.

Gain on sale of capital assets: This represents the gain on sale related to the sale of the Camp Rosenthal property. The gain is recorded as the net of the property sale price (less costs to sell) and the book value of Camp Rosenthal property

Functional expenses: Operating expenses directly identified with a functional area are charged to that area and, where those expenses affect more than one area, they are allocated to the respective areas on the basis of ratios estimated by management.

Discontinued operations: Classification as a discontinued operation occurs at the earlier of the date of disposal or when the operation meets the criteria as “held for sale.” Camp Rosenthal ceased operations on January 31, 2016 and the property was sold on June 1, 2016. Its activities for fiscal years 2016 and 2015 are presented herein as discontinued operations as if the operations had been discontinued at the start of fiscal year 2015. For all periods presented, assets, liabilities and cash flows of the discontinued operations are segregated in the consolidated financial statements. Camp Rosenthal’s remaining net assets, at the end of fiscal year 2016, of $76,338 were transferred to Chicago Youth Centers as of June 30, 2016. This is shown as a net asset transfer on the consolidated statement of activities.

Estimates: In preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions affecting the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Income taxes: Chicago Youth Centers and Camp Rosenthal are both exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law, except for taxes pertaining to unrelated business income, if any.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods. At June 30, 2016, there were no unrecognized tax benefits identified or recorded as liabilities.

The Organization files forms 990 in the U.S. federal jurisdiction and the State of Illinois. The Organization is no longer subject to examination by the Internal Revenue Service for years before 2013.

Recent accounting pronouncement: In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. The amendments in this update remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The Organization adopted the measurement in fiscal year 2016, causing its investments that are valued using the net asset value per share practical expedient, formerly assessed as both Levels 2 and 3, to be removed from the fair value hierarchy.

Subsequent events: The Organization has evaluated subsequent events for potential recognition and/or disclosure through October 24, 2016, the date the consolidated financial statements were available to be issued.

Note 2. Pledges Receivable

Pledges receivable for fiscal year 2016 consisted of the following:

Temporarily restricted - time restricted expected to be received in fiscal year:		
2017	$	286,348
2018		40,000
		326,348
Permanently restricted - expected to be received in fiscal year:		
2017		175,000
2018		150,000
		325,000
	$	651,348

The Organization considers these pledges to be fully collectible and has not recorded an allowance for uncollectible pledges for fiscal year 2016.

Note 3. Fair Value Measurements

The Organization follows the accounting guidance on fair value measurements and disclosure which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under this guidance as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1. Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The type of investments included in Level 1 include listed equities and listed derivatives.

Level 2. Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include corporate bonds and loans, less liquid and restricted equity securities and certain over-the-counter derivatives.

Level 3. Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation. Investments that are included in this category generally include equity and debt positions in private companies and general and limited partnership interests in corporate private equity and real estate funds, debt funds, funds of hedge funds and distressed debt.

Investments in securities traded on a national securities exchange, or reported on the NASDAQ national market, are stated at the last reported sales price on the day of valuation; other securities traded in over-the-counter markets and listed securities for which no sale was reported on that date are stated at the last quoted bid price, except for short sales positions and call options written, for which the last quoted asked price is used.

Investment in the pooled investment partnership (representing approximately a 0.9 percent interest in the partnership) is valued at fair value based on the applicable percentage ownership of the underlying partnerships' net assets as of the measurement date. Management uses information provided by the general partner, who utilizes valuations provided by the underlying investment partnerships. The underlying investment partnerships value securities and other financial instruments on a fair value basis of accounting. The estimated fair values of certain investments of the underlying investment partnerships, which may include private placements and other securities for which prices are not readily available, are determined by the general partner or sponsor of the respective other investment partnership and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The fair value of the Organization's pooled investment partnership interest generally represents the amount the Organization would expect to receive if it were to liquidate its investment in the pooled investment partnership excluding any redemption charges that may apply.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Note 3. Fair Value Measurements (Continued)

The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risks associated with investing in those instruments.

The Organization assesses the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer in accordance with the Organization's accounting policy regarding the recognition of transfers between levels of the fair value hierarchy. The pooled investment partnership transferred from Level 3 to Valued Using Net Asset Value for the year ended June 30, 2016. The transfer was in accordance with the adoption of ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*.

The following table summarizes the Organization's investments accounted for at fair value as of June 30, 2016, using the fair value hierarchy:

	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Valued Using Net Asset Value[1]	Total
Fixed income mutual funds	$ 908,737	$ -	$ -	$ -	$ 908,737
Equity mutual funds - domestic	1,550,345	-	-	-	1,550,345
Equity mutual funds - international	1,355,959	-	-	-	1,355,959
Pooled investment partnership	-	-	-	42,707	42,707
	$ 3,815,041	$ -	$ -	$ 42,707	$ 3,857,748

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amount presented in the table above is intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

Note 4. Investments

The Organization utilizes a pooled investment approach in the management of their investment portfolios. Investment income and gains or losses are allocated on a quarterly basis to the underlying individual funds based on each fund's pro rata share of the total beginning investment balance. Investments consisted of the following:

	Cost	Fair Value
Fixed income mutual funds	$ 912,987	$ 908,737
Equity mutual funds - domestic	1,418,269	1,550,345
Equity mutual funds - international	1,388,893	1,355,959
Pooled investment partnership	45,083	42,707
	$ 3,765,232	$ 3,857,748

Note 5. Property and Equipment

Property and equipment consisted of the following at June 30, 2016:

Chicago Youth Centers	
Land	$ 178,450
Buildings	77,090
Property improvements	2,621,250
Leasehold improvements	2,573,132
Motor vehicles	57,193
Equipment	952,904
	6,460,019
Accumulated depreciation	(5,447,423)
	$ 1,012,596

Note 6. Employee Benefits

On March 24, 2011, the Organization filed an application with the Pension Benefit Guaranty Corporation (PBGC) requesting that the pension plan be terminated with an effective date of May 18, 2011 under Section 4041(c) of the Employee Retirement Income Security Act of 1974, as amended. Effective August 8, 2012, the PBGC approved the termination and was appointed trustee of the pension plan. During fiscal year 2013, the Organization released to the PBGC its related pension assets and liabilities, and responsibility for benefit payments to plan participants and entered into a settlement agreement to satisfy the unfunded liabilities in the plan. As part of the settlement agreement, the Organization agreed to pay the PBGC $284,000 plus 2.5 percent interest over a 10-year term. The annual principal and interest payment is $32,449. The principal balance at June 30, 2016 totaled $206,036 and is included in the pension liability in the statement of financial position. The settlement agreement is secured by one of the Organization’s buildings as collateral.

Note 6. Employee Benefits (Continued)

The required pension disclosures are as follows:

Pension liability	$	206,036
Employer principal	$	26,632
Employer interest		5,817
Employer contribution	$	32,449

The principal payments for the pension settlement for the next 7 years are approximately as follows:

2017	$	27,000
2018		28,000
2019		29,000
2020		29,000
2021		30,000
2022-2023		63,000
	$	206,000

Note 7. Lease Obligations

Chicago Youth Centers occupies its office facilities and certain of its neighborhood youth centers under long-term leases (the latest of which expires in fiscal year 2019). The lease for executive offices commenced May 1, 2009 and provides for increases in rentals based on increases in annual rent, real estate taxes and operating expenses over the base year, as defined. Rent abatements for the executive offices have been recorded as a deferred rent liability and are being amortized on a straight-line basis over the term of the lease. In addition, Chicago Youth Centers has entered into an operating lease for copier equipment.

Approximate total minimum annual rental payments (excluding increased payments) under these leases are to be as follows:

2017	$	284,000
2018		220,000
2019		192,000
2020		14,000
	$	710,000

Total rentals charged to operations for fiscal year 2016 amounted to $241,110.

Note 8. Line of Credit and Loans Payable

Chicago Youth Centers maintains an operating line of credit with BMO Harris N.A., limited to $750,000. The line is secured by Chicago Youth Centers' investment portfolio and has no expiration date. Borrowings on the line are payable on demand. The line bears interest at the prime rate (3.5 percent at June 30, 2016). There were $195,000 in additional borrowings and $395,000 in repayments during fiscal year 2016 and the outstanding balance at June 30, 2016 was $300,000. Interest expense of $26,674 was incurred in fiscal year 2016.

Note 9. Contingencies

Chicago Youth Centers had been named as a defendant in an administrative complaint with the Equal Employment Opportunity Commission's Chicago District Office. As of February 2013, the Equal Employment Opportunity Commission dismissed the complaint and issued a notice of right to sue letter. Chicago Youth Centers has been named as a defendant in an employment related lawsuit. The lawsuit is pending. Any potential judgment is expected to be covered by insurance.

Note 10. Temporarily Restricted Net Assets

Temporarily restricted net assets were attributable to the following purposes as of June 30, 2016:

Pledges receivable	$ 326,348
Youth and teen services	1,481,479
	$ 1,807,827

Note 11. Permanently Restricted Net Assets

Permanently restricted net assets were attributable to the following purposes as of June 30, 2016:

Camping	$ 1,232,525
Sidney Epstein Youth Center (ABC Polk) maintenance	500,000
Rebecca Crown Center operations	325,000
Art scholarships and programs	306,974
Scholarships	127,912
General operations	625,801
	$ 3,118,212

Note 12. Endowment Funds

The Organization's endowment consists of eight individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Note 12. Endowment Funds (Continued)

Interpretation of Relevant Law

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) was enacted in Illinois on June 30, 2009. The Board has interpreted the 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 classified as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation was added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate earnings on donor-restricted endowment funds:

1) The duration and preservation of the fund;
2) The purpose 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; and
7) The investment policies of the Organization.

Endowment Composition

The Organization's endowment net assets are as follows:

Board designated funds	$	746,268
Donor restricted funds		4,114,567
	$	4,860,835

Changes in Endowment Net Assets

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balance, July 1, 2015 (as restated)	$ 831,842	$ 1,488,595	$ 2,614,192	$ 4,934,629
Contributions	-	-	504,020	504,020
Investment results	(26,150)	(228,513)	-	(254,663)
Amounts appropriated for expenditures	(59,424)	(263,727)	-	(323,151)
Balance, June 30, 2016	$ 746,268	$ 996,355	$ 3,118,212	$ 4,860,835

Note 12. Endowment Funds (Continued)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or Illinois UPMIFA requires the Organization to retain as a fund of perpetual duration. There is one individual donor-restricted endowment fund with permission from the donor to distribute the principal balance if investment earnings are insufficient to cover the costs of scholarships provided from the fund. The cumulative scholarships paid from and investment returns for this donor-restricted fund in 2016 exceeded the principal balance by $20,167. One endowment's investment earnings resulted in the donor-restricted fund to fall below the principal balance by $43,554. There were no other deficiencies of this nature as of June 30, 2016.

Return Objectives and Risk Parameters

The Organization 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 that the Organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Investment Committee, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the total fund primary benchmark which consists of 60 percent Morgan Stanley Capital International All-Country World Index, 28 percent Barclays Aggregate Bond Index, and 12 percent Hedge Fund Research, Inc. Fund of Funds Index. The total secondary composite benchmark consists of 35 percent Wilshire 5000 Index, 15 percent Morgan Stanley Capital International All-Country World ex U.S. Index, 40 percent Barclays Capital Intermediate Government Credit Index and 10 percent Hedge Fund Research, Inc. Fund of Funds Index while assuming a moderate level of investment risk. The Organization expects the returns earned on the endowment funds, over a three- to five-year cycle, to exceed the rate of return of the appropriate style benchmarks. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization 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 Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy

The Organization has a policy of appropriating for distribution each year 5 percent of its endowment fund's average fair value over the prior 8 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In addition to the 5 percent spending policy, the annual deficit of the Benjamin J. and Hannah S. Rosenthal Camp, Inc. is supported by the investment earnings of its endowment restricted specifically for camping services as long as the endowment principal remains intact. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, the Organization expects the current spending policy to allow its endowment to attain average real total returns (net of investment management fees and after inflation) in excess of the spending rate over the long term. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

Note 13. Discontinued Operations

The Organization's Board of Directors approved a plan to cease operations of Camp Rosenthal as of January 31, 2016. The Board made the strategic decision to discontinue the operations of the Camp Rosenthal activities, as key economic indicators signaled significant shortfalls in the current and future years. On March 24, 2016, the Board approved the sale of Camp Rosenthal which was finalized on June 1, 2016. There was a gain from the sale of the Camp Rosenthal property reported on the consolidated statement of activities totaling $914,624. Of that $914,624, $852,863 was allocated to Chicago Youth Centers and $61,761 was allocated to Camp Rosenthal.

Net assets of discontinued operations totaled $76,338 and have been transferred to Chicago Youth Centers as of June 30, 2016**.** The net assets at the time of transfer consisted of cash and cash equivalents in the amount of $76,338. The net assets, of the discontinued operations, in the prior year, as of June 30, 2015, consisted of $51,965 of property and equipment.

For the fiscal years ended June 30, 2016 and 2015, the major components of loss from discontinued operations are as follows:

	2016	2015
Revenue:		
Contributions	$ 88,115	$ 165,641
Fees and grants from governmental agencies	32,138	47,274
Program service fees	49,331	50,177
Miscellaneous income	740	147
Gain on sale of capital assets	61,761	-
Investment income	70,811	73,424
	302,896	336,663
Expenses:		
Camping services	278,523	336,663
	278,523	336,663
Net surplus	$ 24,373	$ -

Note 14. Comparative Totals for Prior Year

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended June 30, 2015, from which the summarized information was derived.

Note 15. Prior Period Adjustment

Subsequent to the issuance of the June 30, 2015 consolidated financial statements, the Organization identified a change in the classification of net assets. This change represented a reclassification of investment activity related to the Organization's endowments. The investment activity had historically been reflected in the permanently restricted net assets and should have been reflected in either the unrestricted net assets or temporarily restricted net assets dependent on the nature of the related endowment agreement.

The effects of the restatement on the consolidated financial statements as of and for the year ended June 30, 2015 are summarized below:

	As of and for the Year Ended June 30, 2015		
	As Originally Reported	Increase (Decrease)	As Restated
Statement of Financial Position:			
Unrestricted net assets	$ 2,223,844	$ -	$ 2,223,844
Temporarily restricted net assets	458,893	1,488,595	1,947,488
Permanently restricted net assets	4,102,787	(1,488,595)	2,614,192
Total net assets	$ 6,785,524	$ -	$ 6,785,524

Supplementary Information

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidating Schedule of Financial Position
June 30, 2016

	Chicago Youth Centers				Camp Rosenthal	Consolidated Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	2016
Assets						
Cash and cash equivalents	$ 1,804,621	$ 485,124	$ 175,000	$ 2,464,745	$ -	$ 2,464,745
Accounts receivable:						
Government agencies	594,409	-	-	594,409	-	594,409
Special events and other	101,146	-	-	101,146	-	101,146
Due from broker	23,749	-	132,827	156,576	-	156,576
Prepaid expenses	29,317	-	-	29,317	-	29,317
Pledges receivable, net	-	326,348	325,000	651,348	-	651,348
Investments	376,008	996,355	2,485,385	3,857,748	-	3,857,748
Property and equipment, net	1,012,596	-	-	1,012,596	-	1,012,596
	$ 3,941,846	$ 1,807,827	$ 3,118,212	$ 8,867,885	$ -	$ 8,867,885

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidating Schedule of Financial Position (Continued)
June 30, 2016

	Chicago Youth Centers				Camp Rosenthal	Consolidated Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	2016
Liabilities and Net Assets						
Liabilities:						
Accounts payable and accrued expenses	$ 546,367	$ -	$ -	$ 546,367	$ -	$ 546,367
Accrued compensated absences	6,812	-	-	6,812	-	6,812
Accrued payroll and payroll taxes	217,807	-	-	217,807	-	217,807
Deferred revenue	26,440	-	-	26,440	-	26,440
Deferred rent	83,924	-	-	83,924	-	83,924
Loans payable	300,000	-	-	300,000	-	300,000
Pension liability	206,036	-	-	206,036	-	206,036
	1,387,386	-	-	1,387,386	-	1,387,386
Net assets:						
Unrestricted:						
Undesignated for general activities	795,596	-	-	795,596	-	795,596
Designated by the Board of Directors for investment purposes	746,268	-	-	746,268	-	746,268
Invested in property and equipment	1,012,596	-	-	1,012,596	-	1,012,596
	2,554,460	-	-	2,554,460	-	2,554,460
Temporarily restricted:						
Special purposes	-	1,807,827	-	1,807,827	-	1,807,827
Permanently restricted:						
Endowment fund	-	-	3,118,212	3,118,212	-	3,118,212
	2,554,460	1,807,827	3,118,212	7,480,499	-	7,480,499
	$ 3,941,846	$ 1,807,827	$ 3,118,212	$ 8,867,885	$ -	$ 8,867,885

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidating Schedule of Activities
Year Ended June 30, 2016

	Chicago Youth Centers				Camp Rosenthal	Consolidated Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	2016
Revenue:						
Public support:						
Direct:						
Contributions	$ 804,137	$ 699,591	$ 504,020	$ 2,007,748	$ -	$ 2,007,748
Special events (net of directly related expenses of $163,948)	632,168	-	-	632,168	-	632,168
	1,436,305	699,591	504,020	2,639,916	-	2,639,916
Indirect:						
United Way of Metropolitan Chicago	82,000	-	-	82,000	-	82,000
	1,518,305	699,591	504,020	2,721,916	-	2,721,916
Direct program revenue:						
Fees and grants from governmental agencies	6,015,590	-	-	6,015,590	-	6,015,590
Program service fees	277,966	-	-	277,966	-	277,966
Contractual revenue	3,735	-	-	3,735	-	3,735
	6,297,291	-	-	6,297,291	-	6,297,291
Other revenue:						
Miscellaneous income	14,231	-	-	14,231	-	14,231
Gain on sale of capital assets	851,563			851,563	-	851,563
Investment (loss)	240,587	(263,727)	-	(23,140)	-	(23,140)
Realized gains on sale of marketable securities	16,686	138,417	-	155,103	-	155,103
Unrealized loss on marketable securities	(46,354)	(366,930)	-	(413,284)	-	(413,284)
	1,076,713	(492,240)	-	584,473	-	584,473
Net assets released from restrictions:						
Satisfaction of program restrictions	347,012	(347,012)	-	-	-	-
	9,239,321	(139,661)	504,020	9,603,680	-	9,603,680

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidating Schedule of Activities (Continued)
Year Ended June 30, 2016

	Chicago Youth Centers				Camp Rosenthal	Consolidated Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	2016
Expenses:						
Program services:						
Early Childhood Education	$ 4,753,235	$ -	$ -	$ 4,753,235	$ -	$ 4,753,235
School Age Child Development	1,714,651	-	-	1,714,651	-	1,714,651
Teen Leadership Development	1,391,494	-	-	1,391,494	-	1,391,494
	7,859,380	-	-	7,859,380	-	7,859,380
Supporting services:						
Management and general	769,095	-	-	769,095	-	769,095
Development and fundraising	304,603	-	-	304,603	-	304,603
	1,073,698	-	-	1,073,698	-	1,073,698
	8,933,078	-	-	8,933,078	-	8,933,078
Increase (decrease) in net assets from continuing operations	306,243	(139,661)	504,020	670,602	-	670,602
Other changes in net assets:						
Discontinued operations	-	-	-	-	24,373	24,373
Transfer of Camp Rosenthal net assets	76,338	-	-	76,338	(76,338)	-
Increase (decrease) in net assets	382,581	(139,661)	504,020	746,940	(51,965)	694,975
Net assets:						
Beginning of year, restated	2,171,879	1,947,488	2,614,192	6,733,559	51,965	6,785,524
End of year	$ 2,554,460	$ 1,807,827	$ 3,118,212	$ 7,480,499	$ -	$ 7,480,499

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Schedule of Operations
Year Ended June 30, 2016 (With Comparative Totals for 2015)

	2016	2015
Revenue:		
Public support:		
Direct:		
Contributions	**$ 848,713**	$ 1,147,501
Special events (net of directly related expenses of $163,648 and $137,197, respectivey)	**632,168**	556,446
	1,480,881	1,703,947
Indirect:		
United Way of Metropolitan Chicago	**82,000**	100,000
	1,562,881	1,803,947
Direct program revenue:		
Fees and grants from governmental agencies	**5,988,458**	7,108,502
Program service fees	**327,297**	316,661
Contractual revenue	**3,735**	24,349
	6,319,490	7,449,512
Other revenue:		
Miscellaneous income	**14,971**	2,713
Distributions of investment income	**326,600**	243,695
Camp subsidy from the Rosenthal Endowment investment earnings	**-**	-
	341,571	246,408
Restricted contributions:		
Recognition of prior year restricted contributions	**347,012**	217,130
Deferral of current year restricted contributions	**26,231**	67,970
	373,243	285,100
	8,597,185	9,784,967
Expenses:		
Program services:		
Early Childhood Education	**4,647,804**	4,677,150
Counseling	**-**	973,274
School Age Child Development	**1,561,897**	1,339,039
Teen Leadership Development	**1,310,399**	1,350,329
Camping Services	**276,290**	336,663
	7,796,390	8,676,455
Supporting services:		
Management and general	**747,262**	759,308
Development and fundraising	**304,603**	255,978
	1,051,865	1,015,286
	8,848,255	9,691,741

Chicago Youth Centers and the Benjamin J. and Hannah S. Rosenthal Camp, Inc.

Consolidated Schedule of Operations (Continued)
Year Ended June 30, 2016 (With Comparative Totals for 2015)

	2016	2015
(Decrease) increase in net assets before transfers and other changes	**$ (251,070)**	$ 93,226
Transfer of fixed assets purchased by operations	**(32,526)**	(31,511)
(Decrease) increase in net assets from budgetary operations before other changes	**(283,596)**	61,715
Other changes in net assets:		
Investment income and realized net gains on sale of marketable securities (net of investment income distribution to operations and camp subsidy from the Rosenthal Endowment investment earnings)	**(123,826)**	199,071
Unrealized loss on marketable securities	**(413,284)**	(363,319)
Pledges receivable	**326,348**	72,500
Board designated expenses	**(14,073)**	(16,225)
Depreciation and amortization	**(340,275)**	(417,106)
Capital expenditures transferred from operations	**32,526**	31,511
Capital revenue	**76,577**	40,637
Capital expenses	**(8,997)**	(8,856)
Impairment loss on real estate held for sale	**-**	(46,875)
Gain on sale of capital assets	**913,324**	-
Permanently restricted contributions	**504,020**	3,012
Recognition of prior year restricted contributions	**(458,893)**	(318,423)
Deferral of current year restricted contributions	**485,124**	386,393
	978,571	(437,680)
Increase (decrease) in net assets	**694,975**	(375,965)
Net assets:		
Beginning of year	**6,785,524**	7,161,489
End of year	**$ 7,480,499**	$ 6,785,524