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JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.



Independent Auditors' Report

Board of Directors
Junior League of Oklahoma City,
Oklahoma, Inc.
Oklahoma City, Oklahoma

We have audited the accompanying financial statements of Junior League of Oklahoma City, Oklahoma, Inc., (the League), (a nonprofit organization), which comprise the statements of financial position as of May 31, 2013 and 2012, and the related statements of activities 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Junior League of Oklahoma City, Oklahoma, Inc. as of May 31, 2013 and 2012, 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.

Engelbach Roberts & Co. PLLC

Certified Public Accountants

Oklahoma City, Oklahoma
December 4, 2013

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF FINANCIAL POSITION

	May 31,	
	2013	2012
<u>A S S E T S</u>		
Cash and cash equivalents (interest-bearing \$39,674 and \$39,592)	\$ 474,394	\$ 240,207
Accounts receivable	41,895	15,913
Distribution receivable	11,955	11,508
Prepaid expenses	3,640	6,408
Investments (Notes 3 and 9)	1,918,191	1,719,715
Beneficial interest in assets held by others (Notes 4 and 9)	131,770	121,171
Land, buildings, and equipment (net of accumulated depreciation of \$457,196 and \$546,973) (Note 5)	1,299,157	1,678,290
Total assets	<u>\$ 3,881,002</u>	<u>\$ 3,793,212</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accrued payroll and withholding payable	\$ 5,481	\$ 2,077
Sales tax payable and other payables	5,481	2,562
Deferred revenue:		
Membership dues	132,100	134,133
Mistletoe Market booth pre-payments and pre-purchases	62,575	48,625
Total liabilities	<u>200,156</u>	<u>187,397</u>
Net assets:		
Unrestricted:		
Undesignated	2,058,776	2,185,968
Board designated endowment (Note 7)	1,490,300	1,296,576
	3,549,076	3,482,544
Temporarily restricted (Note 8)		2,100
Permanently restricted (Note 4)	131,770	121,171
Total net assets	<u>3,680,846</u>	<u>3,605,815</u>
Total liabilities and net assets	<u>\$ 3,881,002</u>	<u>\$ 3,793,212</u>

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue, gains and other support:				
Membership dues and fees	\$ 138,148			\$ 138,148
Contributions	184,097			184,097
Contributions - donated goods and services	201,134			201,134
Sales:				
Remarkable Shop (net of consignment expense of \$2,872)	67,661			67,661
Community support	498			498
League Link/Holiday Happenings advertisements	7,770			7,770
Special events:				
Mistletoe Market	319,468			319,468
Investment income	49,832			49,832
Realized and unrealized gains (losses)	178,230		10,599	188,829
Other income	15,866			15,866
Released from restriction	2,100	(2,100)		
Loss on sale of building (Note 10)	(79,035)			(79,035)
Total revenues, gains, and other support	1,085,769	(2,100)	10,599	1,094,268
Expenses (Note 11):				
Program services:				
Community projects	169,393			169,393
Remarkable Shop	73,025			73,025
Mistletoe Market	355,742			355,742
Other program expenses	170,683			170,683
Total program services	768,843			768,843
Supporting services:				
Committee and administration	167,796			167,796
Fundraising	82,598			82,598
Total supporting services	250,394			250,394
Total expenses	1,019,237			1,019,237
Increase (decrease) in net assets	66,532	(2,100)	10,599	75,031
Net assets, beginning of year	3,482,544	2,100	121,171	3,605,815
Total net assets, end of year	\$ 3,549,076	\$	\$ 131,770	\$ 3,680,846

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue, gains and other support:				
Membership dues and fees	\$ 135,750	\$	\$	\$ 135,750
Contributions	56,130	2,100		58,230
Contributions - donated goods and services	166,804			166,804
Sales:				
Remarkable Shop (net of consignment expense of \$10,531)	141,470			141,470
Community support	1,662			1,662
League Link/Holiday Happenings advertisements	8,840			8,840
Special events:				
Mistletoe Market	309,451			309,451
Remarkable Shop	2,757			2,757
Investment income	48,114			48,114
Realized and unrealized gains (losses)	(74,549)		(585)	(75,134)
Other income	12,627			12,627
Released from restriction	596	(596)		
Total revenues, gains, and other support	809,652	1,504	(585)	810,571
Expenses (Note 11):				
Program services:				
Community projects	60,985			60,985
Remarkable Shop	144,473			144,473
Mistletoe Market	301,706			301,706
Other program expenses	166,879			166,879
Total program services	674,043			674,043
Supporting services:				
Committee and administration	174,781			174,781
Fundraising	15,809			15,809
Total supporting services	190,590			190,590
Total expenses	864,633			864,633
Increase (decrease) in net assets	(54,981)	1,504	(585)	(54,062)
Net assets, beginning of year	3,537,525	596	121,756	3,659,877
Total net assets, end of year	\$ 3,482,544	\$ 2,100	\$ 121,171	\$ 3,605,815

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
STATEMENT OF CASH FLOWS

	For the Year Ended May 31,	
	2013	2012
Cash flows from operating activities:		
Cash received for membership dues	\$ 136,115	\$ 140,678
Cash received from sales	49,947	136,059
Cash received from special events	333,418	335,338
Cash received from donors	184,097	58,230
Other receipts from operations	15,866	12,627
Cash received from earnings on investments	49,385	47,776
Cash paid to vendors, employees, and community partner agencies	(776,492)	(657,652)
Net cash (used) provided by operating activities	(7,664)	73,056
Cash flows from investing activities:		
(Increase) in investments	(46,394)	(27,630)
Purchase of equipment	(1,545)	
Proceeds from sale of building	289,790	
Net cash provided (used) by investing activities	241,851	(27,630)
Net increase in cash	234,187	45,426
Cash at beginning of year	240,207	194,781
Cash at end of year	\$ 474,394	\$ 240,207
Reconciliation of change in net assets to net cash provided (used) by operating activities:		
Change in net assets	\$ 75,031	\$ (54,062)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	38,001	42,449
Loss on sale of building	79,035	
Net unrealized and realized (losses) gains on investments	(188,829)	75,134
Net decrease in accounts receivable, prepaids, and other assets	(23,661)	(18,409)
Net increase in accounts payable and deferred revenue	12,759	27,944
Net cash (used) provided by operating activities	\$ (7,664)	\$ 73,056
Supplemental schedule of noncash operating activities:		
Fair market value of donated goods and services received	\$ 201,134	\$ 166,804

See notes to financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended May 31, 2013 and 2012

1. Nature of Activities and Summary of Accounting Policies

Organization and History

The Junior League of Oklahoma City, Oklahoma, Inc. (the League) was founded in 1927 as the Junior Service League of Oklahoma City, Oklahoma. In 1928 the League affiliated with the Association of Junior Leagues of America to become the Junior League of Oklahoma City, Oklahoma. The League is an organization of women committed to promoting voluntarism, developing the potential of women and improving the community through the effective action and leadership of trained volunteers. In order to achieve this objective, each provisional and active member is required to provide a minimum number of hours of volunteer service either to the League or the community. The League's purpose is exclusively educational and charitable.

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

Financial Statement Presentation - The League's financial statements are presented on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles for not-for-profit organizations. Net assets are classified as either unrestricted, temporarily restricted, or permanently restricted, based on the existence or absence of donor-imposed restrictions.

Contributions - The League reports support in conformity with U.S. generally accepted accounting principles for not-for-profit organizations. Contributions, including unconditional promises to give, are recognized as revenue in the period received or promised and are reported as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions.

The League reports gifts of cash or other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, through the passage of time or when a stipulated purpose is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and are reported in the statement of activities as net assets released from restriction. Donor restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.
NOTES TO FINANCIAL STATEMENTS

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(Continued)

For the Years Ended May 31, 2013 and 2012

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses in the reporting period. Actual results could differ from those estimates. It is at least reasonably possible that the significant estimates of the recorded fair values of investments, which are based on quoted market prices will change within the next year.

Cash and Cash Equivalents - Cash and cash equivalents consist of cash held in banks. Money market funds held for investment purposes and certificates of deposit, with maturities of one year or less, are included as investments rather than as cash and cash equivalents.

Investments - Investments consist of marketable investment assets. Marketable securities are reported at fair value calculated in accordance with U.S. generally accepted accounting principles. Such investments include U.S. government obligations, corporate and municipal debt obligations, certificates of deposit, equity securities, and other. Fair value is generally determined based on quoted market prices, other observable inputs, or unobservable inputs. Realized gains and losses on sales of marketable securities are computed on the first-in, first-out basis or the average cost.

Property and Equipment - Property and equipment are stated at cost, if purchased, or market value at date received, if donated. Depreciation is provided over the estimated useful life (five to forty years) of the related assets on the straight-line basis. Generally, assets greater than \$1,000 are capitalized.

Revenue Recognition - Revenue of the League consists principally of membership dues, retail and booth sales, and contributions. Membership dues, which are unrestricted in nature, are recognized over the periods for which they are earned. Retail sales from The Remarkable Shop (a thrift and consignment store which was closed during the year ended May 31, 2013, see Note 10) are recorded at the time of the sale. Booth space rentals, ticket sales and special events relating to the Mistletoe Market event are recorded into income when earned. Contributions are recognized when unconditional commitments are received and recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or absence of donor restrictions. When a donor 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.

Contributed Goods and Services - Contributed goods and services received are reported at their fair value at the date of receipt in accordance with U.S. generally accepted accounting principles. Contributed services are reflected in the financial statements if the services (a) create or enhance nonfinancial assets or (b) require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2013 and 2012

Donated goods and services are reported as contributions received on the Statement of Activities and as donated goods and services in the Expense by Natural Classification footnote. These totals do not include the value of member hours donated to the League's programs and supporting services.

Additionally, no value is placed on items donated to The Remarkable Shop until these items are sold. Accordingly, the accompanying financial statements do not include an inventory valuation.

Concentration of Credit Risk - Financial instruments that potentially expose the League to concentrations of credit risk are cash and cash equivalents and investments. The League places cash deposits into financial institutions deemed by management to be of high credit quality. The League invests in mutual funds, equity securities, and federal and state bonds. Management believes that diversity within its portfolio avoids significant concentration of credit risk.

Expenses by Natural Classification - Expenses are charged to each program based on direct expenditures incurred. Certain expenditures, which are not directly chargeable to a single function, are allocated based on a percentage of direct costs.

Tax Exempt Status - The League is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code. Therefore, no provision has been made in the accompanying financial statements for income taxes.

The League evaluates and accounts for their uncertain tax positions, if any, in accordance with U.S. generally accepted accounting principles, including the League's tax position as a tax-exempt not-for-profit entity. Through the League's evaluation of its uncertain tax positions, management has determined no uncertain tax positions exist as of May 31, 2013 and 2012, which would require the League to record a liability in its financial statements. The League's exempt returns for the years before May 31, 2010, are no longer subject to examination by taxing authorities.

Date of Management Evaluation - Management of the League has evaluated subsequent events through December 4, 2013, which is the date the financial statements were available to be issued, and determined that no subsequent events have occurred that require adjustment to or disclosure in the financial statements.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2013 and 2012

2. Related Party Transactions

The League paid dues to the Association of Junior Leagues International, Inc. of \$52,852 and \$47,548 for the years ending May 31, 2013 and 2012.

3. Investments

Investments are stated at fair market value and are summarized as follows as of May 31, 2013:

	<u>Cost</u>	<u>Market</u>
Government obligations	\$54,321	\$57,819
Mutual funds - fixed income	244,956	252,609
Municipal bonds and notes	24,938	28,580
Common stocks	354,349	484,220
Mutual funds - common stocks	482,135	625,622
Certificates of deposit	450,901	451,783
Money market funds and cash	<u>17,560</u>	<u>17,558</u>
	<u>\$1,629,160</u>	<u>1,918,191</u>
Held by others (OCCF)		<u>131,770</u>
		<u>\$2,049,961</u>

Investments are stated at fair market value and are summarized as follows as of May 31, 2012:

	<u>Cost</u>	<u>Market</u>
Government obligations	\$54,321	\$59,368
Corporate bonds	65,425	66,797
Municipal bonds and notes	24,938	29,171
Common stocks	351,691	408,045
Mutual funds	531,102	623,267
Certificates of deposit	449,598	450,477
Money market funds and cash	<u>82,590</u>	<u>82,590</u>
	<u>\$1,559,665</u>	<u>1,719,715</u>
Held by others (OCCF)		<u>121,171</u>
		<u>\$1,840,886</u>

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2013 and 2012

The following schedule summarizes the investment return and its classification in the statement of changes in net assets for the year ended May 31:

	<u>2013</u>	<u>2012</u>
Unrestricted:		
Interest and dividends	\$49,832	\$48,114
Net realized and unrealized gains (losses)	<u>178,230</u>	<u>(74,549)</u>
	<u>228,062</u>	<u>(26,435)</u>
Permanently restricted:		
Net realized and unrealized gains (losses) relating to beneficial interest in assets held by others	<u>10,599</u>	<u>(585)</u>
	<u>10,599</u>	<u>(585)</u>
Total investment income and gains (losses)	<u><u>\$238,661</u></u>	<u><u>(\$27,020)</u></u>

4. Endowed Funds Held by Community Foundation

The League is the beneficiary of a designated agency endowment fund held by the Oklahoma City Community Foundation, Inc. (OCCF) with a market value of \$263,357 and \$241,876 at May 31, 2013 and 2012. This endowment was established with funds contributed by both the League and other third-party donors. Under the terms of OCCF's designated fund policies, OCCF has variance power over these assets, and only that portion of the assets contributed by the League together with earnings thereon, is considered to represent the present value of future distributions expected to be made to the League. Of the total fund balance at May 31, 2013 and 2012, \$131,770 and \$121,171 represents contributions and accumulated earnings by the League and is included as an asset in the accompanying statement of financial position. Assets contributed by third party donors, totaling \$131,587 and \$120,705 at May 31, 2013 and 2012, are not reported in the League's financial statements.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2013 and 2012

5. Summary of Land, Property and Equipment

The cost of land, property, and equipment for the years ended May 31:

	<u>2013</u>	<u>2012</u>
Land	\$540,367	\$560,367
Buildings	930,268	1,371,266
Office furniture, equipment, and computer equipment	<u>285,718</u>	<u>293,630</u>
	1,756,353	2,225,263
Less accumulated depreciation	<u>457,196</u>	<u>546,973</u>
Net	<u><u>\$1,299,157</u></u>	<u><u>\$1,678,290</u></u>

6. Commitments

The League leases certain office equipment under operating leases expiring in 2013. Rent expense in 2013 and 2012 for this equipment was \$481. The minimum rental commitments under these leases are as follows:

	<u>Year ending May 31,</u>
2014	\$443
2015	443
2016	<u>406</u>
	<u><u>\$1,292</u></u>

The League has entered into service agreements for the 2013 and 2012 Mistletoe Market in the amount of \$22,100 and \$39,425.

7. Board Designated Endowment

The League's Board of Directors designated unrestricted net assets totaling \$1,490,300 and \$1,296,576 as a general endowment fund (referred to as Headquarters Fund) to support the operations of the League. Since these amounts resulted from an internal designation and are not donor-restricted they are classified and reported as unrestricted net assets.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2013 and 2012

The dividends and interest income from the Headquarters Fund shall be used to offset expenses attributed to the operations of the League. In order to meet its needs, the investment strategy of the Headquarters Fund is to preserve capital and to emphasize total return; that is, the aggregate returns from capital appreciation and dividend and interest income. The objectives of investment management for the Headquarters Fund assets is to emphasize long term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

Generally accepted accounting principles provide guidance on the net asset classification of donor-restricted endowment funds for not-for-profit organizations subject to the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). It also provides guidance on enhanced disclosure information to enable users of financial statements to understand the net asset classification, net asset composition, changes in net asset composition, spending policy, and related investment policy of its endowment funds.

The League's endowment consists of funds designated by the League to function as endowments established to support the programs conducted by the League. As required by GAAP, net assets associated with endowment funds, including funds designated by the League to function as endowments are classified and reported based on the existence or absence of donor-imposed restrictions.

Changes in board-designated endowment net assets for the year ended May 31:

	<u>2013</u>	<u>2012</u>
Net assets, beginning of year	\$1,296,576	\$1,348,601
Investment income	33,167	30,887
Investment gains (losses)	178,191	(70,944)
Withdrawals	<u>(17,634)</u>	<u>(11,968)</u>
Net assets, end of year	<u><u>\$1,490,300</u></u>	<u><u>\$1,296,576</u></u>

8. Temporarily Restricted Net Assets

Temporarily restricted net assets of \$2,100 as of May 31, 2012, consist of contributions restricted for the purchase of books.

9. Disclosure About Fair Value of Financial Instruments

U.S. generally accepted accounting principles (GAAP) requires the League to disclose estimated fair values for all financial instruments. Under GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2013 and 2012

The fair values reported below for financial instruments were based on a variety of factors. In some cases, fair values have been estimated based on assumptions concerning the amount and timing of estimated future cash flows and assumed discount rates reflecting varying degrees of risk. Accordingly, the fair values may not represent actual values of the financial instruments that could have been realized as of May 31, 2013 and 2012, or that will be realized in the future.

The carrying amounts of cash and cash equivalents approximate fair values because of the terms and relatively short maturity of these assets. The carrying value of investments, which is fair value, is based upon quoted market prices, if available. If quoted market prices are not available, fair value is estimated using quoted prices for similar securities.

The League's financial instruments at May 31, 2013 were as follows:

	<u>Fair Value/ Estimated Market Value and Carrying Amount</u>
Cash and cash equivalents	\$474,394
Investments - marketable	\$1,918,191
Beneficial interest in assets held by others	\$131,770

The League's financial instruments at May 31, 2012 were as follows:

	<u>Fair Value/ Estimated Market Value and Carrying Amount</u>
Cash and cash equivalents	\$240,207
Investments - marketable	\$1,719,715
Beneficial interest in assets held by others	\$121,171

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1: Quoted Prices in Active Markets for Identical Assets; Level 2: Significant Other Observable Inputs; and Level 3: Significant Unobservable Inputs. The League uses appropriate valuation techniques based on the available inputs to measure the fair value of its assets and liabilities.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2013 and 2012

Fair Value Measured on a Recurring Basis

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying balance sheet, as well as the general classification of such assets pursuant to the valuation hierarchy.

Investments

The fair values of investments in U.S. government obligations, equity securities, corporate and municipal debt obligations, certificates of deposit, and other investments are based on quoted market prices for active markets, where available. If quoted market prices for active markets are not available, fair values are obtained from pricing services, based on quoted market prices of comparable instruments, bid/ask quotes, or the use of discounted cash flow models, using observable inputs such as current yields, credit risks, and repayment speeds.

Beneficial Interest in Assets Held by Others

The fair value of assets held by Oklahoma City Community Foundation in a designated agency endowment fund is based on market value information provided by OCCF.

The following presents the fair value measurements of investments and beneficial interest recognized in the accompanying statement of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at May 31, 2013 and 2012:

	<u>Fair Value</u>	<u>Fair Value Level</u>
<u>2013:</u>		
Government obligations	\$57,819	(1)
Mutual funds - fixed income	252,609	(1)
Municipal bonds	28,580	(1)
Common stocks	484,220	(1)
Mutual funds - common stocks	625,622	(1)
Certificates of deposit	451,783	(1)
Money market funds and cash	<u>17,558</u>	(1)
	<u>\$1,918,191</u>	
 Held by others (OCCF)	 <u>\$131,770</u>	 (2)

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Years Ended May 31, 2013 and 2012

	<u>Fair Value</u>	<u>Fair Value Level</u>
<u>2012:</u>		
Government obligations	\$59,368	(1)
Corporate bonds	66,797	(1)
Municipal bonds	29,171	(1)
Common stocks	408,045	(1)
Mutual funds	623,267	(1)
Certificates of deposit	450,477	(1)
Money market funds and cash	<u>82,590</u>	(1)
	<u>\$1,719,715</u>	
Held by others (OCCF)	<u>\$121,171</u>	(2)

10. Closing of Remarkable Shop

In September of 2012, the Board of Directors voted to close the Remarkable Shop after over 80 years of serving the community as a thrift and consignment store. After liquidating the remaining inventory and furniture, fixtures and equipment the Remarkable Shop officially closed in November. The land and building was sold on April 30, 2013 for \$289,790.

JUNIOR LEAGUE OF OKLAHOMA CITY, OKLAHOMA, INC.

NOTES TO FINANCIAL STATEMENTS

(Continued)

For the Year Ended May 31, 2013

11. Expenses by Natural Classification

Expenses were incurred as follows:

	Program Services				Supporting Services			Total Expenses
	Community Projects	Remarkable Shop	Mistletoe Market	Other Program Expenses	Total Program Services	Committee and Administration	Fundraising	Total Supporting Services
Expenses:								
Grants	\$ 106,329	\$	\$	\$	\$ 106,329	\$	\$	\$ 106,329
Supplies	59,147	526		2,377	62,050	6,136	3,673	9,809
Salaries		27,901		19,518	47,419	30,671	5,576	36,247
Professional services						9,707		9,707
Insurance		8,247			8,247			8,247
Building and maintenance		7,784		10,687	18,471	19,848		19,848
Utilities		10,799		4,058	14,857	7,536		7,536
Membership meetings and training				67,484	67,484	16,677		16,677
Events			190,099		190,099		70,196	70,196
Printing and promotion		2,937	146,919	13,060	162,916	21,722		21,722
Investment fees						19,190		19,190
Bank charges and credit card fees		1,329	4,654	1,989	7,972	1,847	1,847	3,694
AJLI dues				36,786	36,786	16,071		16,071
Other		1,616	14,070	4,278	19,964	7,945		7,945
Total expenses before depreciation	165,476	61,139	355,742	160,237	742,594	157,350	81,292	238,642
Depreciation of buildings and equipment	3,917	11,886		10,446	26,249	10,446	1,306	11,752
Total expenses	\$ 169,393	\$ 73,025	\$355,742	\$ 170,683	\$ 768,843	\$ 167,796	\$ 82,598	\$ 250,394
								\$ 1,019,237

For the Year Ended May 31, 2012

Expenses were incurred as follows:

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