YouthCare

Homeless youth ➔ Off the streets ➔ Preparing for life

Financial Statements

For the Year Ended December 31, 2013

Table of Contents

CLARK NUBER

10900 NE 4th Street
Suite 1700
Bellevue WA 98004
tel 425 454 4919
fax 425 454 4620
800 504 8747
clarknuber.com

Certified Public
Accountants
and Consultants

Independent Auditor's Report

Board of Directors
YouthCare
Seattle, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of YouthCare (the Organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, functional expenses and cash flows for the year 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

CLARK NUBER

Certified Public
Accountants
and Consultants

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 24, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2014 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Clark Nuber P.S.

Certified Public Accountants
April 21, 2014

YOUTHCARE

Statement of Financial Position
December 31, 2013
(With Comparative Totals for 2012)

	2013	*2012*
Current Assets:		
Cash and cash equivalents	$ 2,734,712	$ 1,311,797
Accounts, grants, and contracts receivable	734,956	920,184
Facility use receivable	33,577	37,250
Pledges receivable	97,912	186,143
Prepaid expenses and other current assets	125,263	137,843
Total Current Assets	**3,726,420**	**2,593,217**
Restricted cash	181,430	166,398
Property and equipment, net	8,230,599	8,479,613
Total Assets	**$ 12,138,449**	**$ 11,239,228**
Current Liabilities:		
Accounts payable	$ 171,956	$ 153,823
Accrued expenses	446,778	424,158
Current portion of capital lease obligations	15,359	22,154
Total Current Liabilities	**634,093**	**600,135**
Long-term portion of capital lease obligations	22,633	37,992
Total Liabilities	**656,726**	**638,127**
Net Assets:		
Unrestricted net assets	7,193,135	7,396,567
Temporarily restricted net assets	4,288,588	3,204,534
Total Net Assets	**11,481,723**	**10,601,101**
Total Liabilities and Net Assets	**$ 12,138,449**	**$ 11,239,228**

See accompanying notes.

YOUTHCARE

Statement of Activities
For the Year Ended December 31, 2013
(With Comparative Totals for 2012)

	Unrestricted	Temporarily Restricted	2013 Total	2012 Total
Support and Revenue:				
Grants and contracts	$ 5,984,301	$ 150,040	$ 6,134,341	$ 6,585,106
Contributions	1,816,091	1,969,860	3,785,951	2,038,594
Special events, net of direct expenses of $64,620 (2012 - $66,166)	528,220		528,220	537,947
In-kind revenue	24,627	67,954	92,581	90,333
United Way	409,308		409,308	362,871
Net assets released from restriction	1,103,800	(1,103,800)		
Total Public Support	**9,866,347**	**1,084,054**	**10,950,401**	**9,614,851**
Rental income	73,230		73,230	77,756
Other revenue	24,404		24,404	21,619
Investment income	25		25	425
Total Support and Revenue	**9,964,006**	**1,084,054**	**11,048,060**	**9,714,651**
Expenses:				
Program services	8,211,287		8,211,287	7,749,521
Supporting services	1,956,151		1,956,151	1,738,305
Total Expenses	**10,167,438**		**10,167,438**	**9,487,826**
Change in Net Assets	**(203,432)**	**1,084,054**	**880,622**	**226,825**
Net Assets:				
Beginning of year	7,396,567	3,204,534	10,601,101	10,374,276
End of Year	**$ 7,193,135**	**$ 4,288,588**	**$ 11,481,723**	**$ 10,601,101**

See accompanying notes.

YOUTHCARE

Statement of Functional Expenses
For the Year Ended December 31, 2013
(With Comparative Totals for 2012)

	Total Program Services	*Management and General*	*Fundraising*	*Total Supporting Services*	*2013*	*2012*
Personnel	$ 6,057,798	$ 747,706	$ 441,821	$ 1,189,527	$ 7,247,325	$ 6,689,795
Contract services	489,062	301,245	42,583	343,828	832,890	694,124
Occupancy	488,648	55,217	9,558	64,775	553,423	557,000
Client costs	309,844				309,844	361,802
Depreciation and amortization	193,711	53,005	12,236	65,241	258,952	287,621
Supplies	119,205	36,645	70,985	107,630	226,835	146,427
Client food	129,389				129,389	133,914
Telephone	74,786	32,410	1,936	34,346	109,132	109,910
Vehicles	90,822	6,377	1,148	7,525	98,347	112,246
In-kind	71,628	24,627		24,627	96,255	90,333
Travel	62,115	22,556	1,845	24,401	86,516	105,160
Meetings and training	36,724	28,585	1,647	30,232	66,956	63,007
Printing and publicity	9,998	3,360	44,489	47,849	57,847	40,405
Insurance	42,542	3,252	2,278	5,530	48,072	37,055
Dues, fees and licenses	11,952	18,556	3,795	22,351	34,303	21,603
Miscellaneous	812	12,631	16,688	29,319	30,131	17,663
Equipment rent and maintenance	20,316	8,135		8,135	28,451	65,037
Postage and delivery	1,933	5,517	8,700	14,217	16,150	18,869
Interest	2	1,238		1,238	1,240	2,021
Total Expenses	**8,211,287**	**1,361,062**	**659,709**	**2,020,771**	**10,232,058**	**9,553,992**
Less special event expenses included with support and revenue on the statement of activities			(64,620)	(64,620)	(64,620)	(66,166)
Total Expenses Included in Expenses on the Statement of Activities	**$ 8,211,287**	**$ 1,361,062**	**$ 595,089**	**$ 1,956,151**	**$10,167,438**	**$ 9,487,826**

See accompanying notes.

YOUTHCARE

Statement of Cash Flows
For the Year Ended December 31, 2013
(With Comparative Totals for 2012)

	2013	2012
Cash Flows from Operating Activities:		
Change in net assets	$ 880,622	$ 226,825
Adjustments to reconcile change in net assets		
to cash provided by operating activities-		
Depreciation and amortization	258,952	287,621
Changes in assets and liabilities:		
Accounts, grants, and contracts receivable	185,228	72,706
Facility use receivable	3,673	500
Pledges receivable	88,231	2,584
Prepaid expenses and other current assets	12,580	(55,821)
Accounts payable	41,799	33,192
Accrued expenses	22,620	51,066
Net Cash Provided by Operating Activities	**1,493,705**	**618,673**
Cash Flows from Investing Activities:		
Change in restricted cash	(15,032)	(15,040)
Payments to acquire and construct property and equipment	(33,604)	(73,636)
Net Cash Used by Investing Activities	**(48,636)**	**(88,676)**
Cash Flows from Financing Activities:		
Principal payments on capital lease obligations	(22,154)	(21,686)
Net Cash Used in Financing Activities	**(22,154)**	**(21,686)**
Change in Cash and Cash Equivalents	**1,422,915**	**508,311**
Cash and cash equivalents at beginning of year	1,311,797	803,486
Cash and Cash Equivalents at End of Year	**$ 2,734,712**	**$ 1,311,797**
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the year for interest	$ 1,240	$ 2,021
Property and equipment purchase reflected in accounts payable	$ -	$ 23,666

See accompanying notes.

Note 1 - Organization and Significant Accounting Policies

YouthCare is an agency that provides comprehensive services to youth in crisis in the Seattle-King County area, and is dedicated to assisting homeless, runaway, and at-risk youth to create healthy and productive lives. YouthCare accomplishes this goal by providing both residential and nonresidential services to youth ages 11 to 24.

Basis of Presentation - Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of YouthCare and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that will be met either by actions of YouthCare or the passage of time. See Note 9 for the specific temporarily restricted amounts.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they will be maintained permanently by YouthCare. YouthCare had no permanently restricted net assets as of December 31, 2013 and 2012.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets are reported as reclassifications between the applicable classes of net assets. It is YouthCare's policy to recognize restricted contributions in the unrestricted net asset class if the restrictions have been met in the same year that they were received.

YouthCare reports gifts of land, building, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets must be used to acquire long-lived assets are reported as restricted support. Absent of donor stipulations about how long those long-lived assets must be maintained, YouthCare reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting - The financial statements of YouthCare are prepared on the accrual basis of accounting in accordance with U.S. GAAP.

Concentration of Credit Risk - YouthCare invests its excess cash with various financial institutions. At times such cash balances are in excess of FDIC insurance limits.

Note 1 - Continued

Federal Income Taxes - The Internal Revenue Service (IRS) has determined YouthCare to be exempt from federal income taxes under provision of Section 501(a) of the Internal Revenue Code as an entity described in Section 501(c)(3) and is not a private foundation. Accordingly, no provision for federal income taxes has been made in the financial statements.

YouthCare files income tax returns with the U.S. government. YouthCare is subject to income tax examinations for the current year and certain prior years based on the applicable laws and regulations.

Cash and Cash Equivalents - YouthCare considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash - Restricted cash consists of cash restricted for YouthCare's replacement and operating reserves required by certain forgivable debt agreements.

Accounts, Grants, and Contracts Receivable and Revenues - A substantial portion of fees and grants from government agencies is derived from grants and contracts administered by various federal, state and local government agencies. Revenue from these grants and contracts is subject to audits, which could result in adjustments to revenue. Any adjustments would be recorded at the time that such amounts could first be reasonably determined, normally upon notification by the government agency. All receivables are considered fully collectible by management. Amounts from the government totaled 54% and 68%, respectively, of public support revenues during 2013 and 2012. The balance in accounts, grants and contracts receivable from these sources totaled $734,328 and $913,443, at December 31, 2013 and 2012, respectively.

During the year ended December 31, 2013, approximately 39% of contributions were from three organizations. During the year ended December 31, 2012, approximately 20% of contributions were from one organization.

Property and Equipment - Land, buildings, building improvements, furniture, and equipment are stated at cost if purchased or, in the case of donated assets, at estimated fair value at the date of contribution. YouthCare capitalizes all computer equipment and other depreciable assets with a purchase price and/or donated fair value greater than $5,000. Depreciation is provided on the straight-line method over the following estimated lives:

Building and improvements	10 - 40 years
Furniture and equipment	3 - 10 years
Vehicles	5 years

Nonoperating Activities - YouthCare considers contributions and grants restricted for the acquisition of long-term assets and repayment of long-term debt and the related releases to be nonoperating activities. YouthCare also considers gains and losses on disposal of fixed assets to be nonoperating activities. There was no such activity during the years ended December 31, 2013 and 2012.

Contributions - Contributions, which include unconditional promises to give (pledges), are recognized as support in the period received.

Advertising - Advertising costs are expensed as they are incurred. Total advertising expenses for the years ended December 31, 2013 and 2012 were $34,346 and $19,917, respectively.

Note 1 - Continued

In-Kind Donations - Donated materials and equipment are recorded as in-kind donations and either expenses or capital assets at their estimated fair value to the extent they can be objectively measured. Contributions of services are recognized if the services received create or enhance a nonfinancial asset or the services require specialized skills that are provided by individuals possessing those skills.

In-kind contributions included donated services of $24,627 and $15,333 for the years ended December 31, 2013 and 2012, respectively, and donated rent of $67,954 and $75,000 for the years ended December 31, 2013 and 2012, respectively.

Allocation of Functional Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services based on the benefits derived.

Grants and Contracts - Cost reimbursement grant and contract revenue is recognized and recorded as related program expenses are incurred. YouthCare receives reimbursement for indirect costs on certain grants based upon a provisional rate applied to direct costs. Any adjustments that are necessary when final rates are determined are recorded in the period they become known. Direct and indirect costs reimbursed by United States government agencies are subject to review and audit by such agencies.

Comparative Amounts for 2012 - For comparative purposes, the financial statements include certain prior-year summarized information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with YouthCare's financial statements for the year ended December 31, 2012, from which the summarized information was derived.

Reclassifications - Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. The reclassifications have no effect on previously reported changes to net assets or net assets.

Subsequent Events - YouthCare has evaluated subsequent events through April 21, 2014, the date on which the financial statements were available to be issued.

Note 2 - Pledges Receivable

Unconditional promises to give that are expected to be collected in one year are stated at net realizable value. Unconditional promises to give that are expected to be collected in future years are presented at the present value of their estimated future cash flows. The discounts on those amounts are computed using a discount rate applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. In accordance with U.S. GAAP, unconditional promises to give are recognized as support in the period the promise is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are not included in support until the conditions are substantially met. YouthCare provides for losses on pledges receivable using the allowance method. The allowance is based on past experience. It is YouthCare's policy to charge off uncollectible pledges receivable when management determines the receivable will not be collected.

Note 2 - Continued

All unconditional pledges receivable outstanding at December 31, 2013 are due in 2014. There was no allowance for doubtful accounts or discount to net present value at December 31, 2013 and 2012.

Conditional pledges at December 31, 2013 totaled $750,000 for the Catalyst program at Straley House. The pledge is contingent upon YouthCare meeting certain operational milestones and accordingly has not been recorded as support.

Note 3 - Property and Equipment

Property and equipment consisted of the following at December 31:

	2013	*2012*
Nondepreciable-		
Land	$ 2,959,447	$ 2,959,447
Depreciable-		
Buildings and building improvements	7,805,459	7,801,404
Furniture and equipment	606,605	600,721
Vehicles	172,308	172,309
	11,543,819	11,533,881
Less accumulated depreciation	(3,313,220)	(3,054,268)
Total Property and Equipment	**$ 8,230,599**	**$ 8,479,613**

At December 31, 2013, copiers under capital lease agreements are included in furniture and equipment with a cost of $111,398 and accumulated depreciation of $76,034 (2012 - $54,815).

Note 4 - Forgivable Loans

YouthCare has received forgivable loans amounting to $4,519,926 and $4,497,553 at December 31, 2013 and 2012, respectively. Under terms of the agreements, the proceeds must be used for the specific purpose intended in the loan documents. As management believes the conditions related to these loans have substantially been met and that YouthCare has the present intention and ability to maintain the conditions of forgiveness, the proceeds from these forgivable loans have been recognized as temporarily restricted revenues. The restrictions are being released over the terms of the forgivable loans. The loan balance, including accrued interest, if any, and in some cases a pro-rata share of appreciation is due generally if YouthCare changes the use of the facilities from the intended purpose or if the property is sold and removed from acceptable use. Each loan has specific agreements and covenants surrounding the use of the property, and the terms of forgiveness depend upon adherence to the terms.

Note 4 - Continued

Forgivable loans consist of the following at December 31:

	2013	*2012*
Interest-free loan payable to the State of Washington, secured by a promissory note and deed of trust on real property. The loan is forgivable on January 1, 2048, provided that YouthCare complies with a covenant which requires YouthCare to use the property to serve low-income families.	$ 1,070,952	$ 1,070,952
Interest-free CDBG Federal loan payable to King County, secured by a promissory note and deed of trust on real property. The loan is forgivable on December 31, 2016, provided that YouthCare complies with a covenant which requires YouthCare to use the property to serve low-income families.	150,000	150,000
Interest-free CDBG Federal loan payable to the City of Seattle, secured by a promissory note and deed of trust on real property. The loan is forgivable on December 31, 2018, provided that YouthCare complies with a covenant which requires YouthCare to use the property to serve low-income families.	337,755	337,755
Loan payable to the City of Seattle, including an accrual of simple interest at 1% per year for the first 20 years (through July 2016), secured by a promissory note and deed of trust on real property. The principal and interest will be forgiven on July 31, 2071, provided that YouthCare complies with a covenant that requires YouthCare to use the property to serve low-income families.	1,872,182	1,856,030
Loan payable to City of Seattle, including an accrual of simple interest at 1% per year, secured by a deed of trust in first position on land, building and improvements with a cost of $713,558. The loan is payable on April 15, 2030, upon the sale of the property, or upon cessation of use of the property for low-income housing. The maturity date can be extended in five year intervals if the property continues to be used for the specified purpose.	373,414	370,377

Note 4 - Continued

	2013	*2012*
Loan payable to a local foundation, including interest that was adjusted annually at four points below the prime rate, secured by a deed of trust in second position on the same land, building and improvements described above. Compounded interest accrued for the first ten years of the loan through 1999 was forgiven equally over a ten-year period ending in 2009. The term of the loan is perpetual but the principal is only payable upon sale of the property or cessation of use of the property for providing services to young people in the Seattle area.	100,000	100,000
Loan payable to the City of Seattle, secured by a promissory note and a deed of trust for the Ravenna House. The loan accrues interest at 1% through February 2019 at which time accrued interest will be forgiven over the next 20 years. The principal of the loan ($318,394) is forgivable on February 23, 2039, provided YouthCare complies with a covenant that requires YouthCare to use the funds strictly for the development of the Ravenna property and operates a low-income housing program for the duration of the loan.	365,623	362,439
Interest-free loan payable to the State of Washington, secured by a promissory note and a deed of trust. The loan is forgivable on February 23, 2039, provided YouthCare complies with a covenant that requires YouthCare to use the funds for the development of the Ravenna property and operates a low-income housing program for the duration of the loan.	250,000	250,000
	$ 4,519,926	**$ 4,497,553**

Interest has not been imputed for any of the above loans that carry below-market rate loans, as they are payable to governmental entities that set the interest rates and carry legal restrictions.

Note 5 - Line of Credit

At December 31, 2013, YouthCare had a $750,000 line of credit with a bank secured by YouthCare's assets. Interest is payable monthly at 4.25% (4.25% at December 31, 2012) and all outstanding principal is due on August 1, 2014. There were no borrowings on the line at December 31, 2013 and 2012.

Note 6 - Pension Plan

YouthCare has a 401(k) plan covering all eligible employees. An employee is eligible for participation in the plan the following quarter after the employee has completed 1,000 hours of employment, three months of service, and has reached age 21. Employees can defer up to 100% of their annual salary, not to exceed IRS limits. YouthCare's contributions to the plan are discretionary and decided upon annually by the Board of Directors. YouthCare also matches employee deferrals up to certain percentages. Total expenses accrued under this plan were $100,152 and $98,969 for 2013 and 2012, respectively, and are included in personnel expense.

Note 7 - Commitments and Contingencies

Leases - YouthCare leases two office spaces under noncancelable operating leases. The two leases expire in February and July of 2015, respectively. Both leases have early termination clauses. The future noncancelable minimum lease payments total $101,270 for the year ending December 31, 2014.

Grants - In 1990, YouthCare received two grants from the State of Washington Department of Community Development for improvements to Straley House and the Shelter totaling approximately $280,000. Under the terms of these grants, YouthCare is obligated to serve low-income citizens for a period of 40 years. If, at any time in these periods, YouthCare fails in its obligations, the State may recover a pro-rata portion of the awarded funds.

The acquisition of Ravenna House in 1999 was partially financed by a $60,000 grant from the Low Income Housing Institute. The grant contains certain restrictions, including stipulations that the building adhere to low-income housing requirements and that the property be maintained as low-income housing for 50 years.

YouthCare received a McKinney Supportive Housing Grant with the U.S. Department of Housing and Urban Development from the City of Seattle in 1995. The $125,000 grant was for acquisition costs of property that is used for site administration offices, transitional housing and supportive services. As part of the requirements of this grant, YouthCare must refund the entire grant amount if it sells the property or discontinues using the property for its required purposes prior to a 10-year period beginning in 2006. If the property continues to be used longer than the first 10-year period, the maximum refundable portion of the grant is reduced by 10 percentage points each year. The property will completely clear of this commitment in year 2016.

Note 8 - Capital Leases

YouthCare leases five copiers under a capital lease agreement. The interest rate on the capitalized lease is 2.14% and is imputed based on the lower of YouthCare's incremental borrowing rate at the inception of each lease or the lessor's implicit rate of return.

Required minimum payments for capital lease obligations are as follows:

For the Year Ending December 31,	
2014	$ 23,225
2015	15,482
	38,707
Less amount representing interest	(715)
	$ 37,992

Note 9 - Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purposes at December 31:

	2013	*2012*
Forgivable notes payable (time restricted) (Note 4)	$ 2,340,114	$ 2,448,104
Barista/YouthTech training program	233,411	80,023
Orion Center	280,000	
Facility use receivable	33,577	37,250
Pledges due in future periods		105,000
Education and employment programs	723,500	96,746
Prevention	153,685	141,117
Food	20,000	26,290
Luncheon	49,000	46,000
Mental health program	123,279	148,168
Other program activities	332,022	75,836
	$ 4,288,588	**$ 3,204,534**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes and/or by the passage of time as follows for the year ended December 31, 2013:

Purpose restriction	$ 915,729
Time restriction	188,071
	$ 1,103,800