SCHALL & ASHENFARB Certified Public Accountants, LLC

IRA L. SCHALL, CPA
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WHARTON BUSINESS SCHOOL CLUB OF NEW YORK, INC.

Audited Financial Statements

June 30, 2011

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors of
Wharton Business School Club of New York, Inc.

We have audited the accompanying statement of financial position of Wharton Business School Club of New York, Inc. ("the Organization") as of June 30, 2011, and the related statements of activities, functional expenses, and cash flows for the fiscal year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's June 30, 2010 financial statements and, in our report dated May 10, 2011 we expressed an unqualified opinion on those financial statements.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wharton Business School Club of New York, Inc. as of June 30, 2011, and the change in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Schall & Ashenfarb
Certified Public Accountants, LLC

May 4, 2012

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WHARTON BUSINESS SCHOOL CLUB OF NEW YORK, INC.
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2011
(With comparative totals for June 30, 2010)

	6/30/11	6/30/10
Assets		
Cash and cash equivalents (Note 2e)	$709,086	$599,059
Prepaid special event expenses	35,798	38,195
Accounts receivable	1,645	26,634
Other assets	1,522	2,557
Total assets	$748,051	$666,445
Liabilities and Net Assets		
Liabilities:		
Accounts payable	$16,885	$29,276
Deferred membership dues (Note 2f)	44,701	29,407
Total liabilities	61,586	58,683
Net assets: (Note 2b)		
Unrestricted	653,265	580,762
Temporarily restricted (Note 3)	33,200	27,000
Total net assets	686,465	607,762
Total liabilities and net assets	$748,051	$666,445

The attached notes and auditors' report
are an integral part of these financial statements.

WHARTON BUSINESS SCHOOL CLUB OF NEW YORK, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011
(With comparative totals for the year ended June 30, 2010)

	Unrestricted	Temporarily Restricted	Total 6/30/11	Total 6/30/10
Public support and revenue:				
Program and lecture income	$42,311		$42,311	$31,740
Membership income	56,421		56,421	52,492
Contributions	31,040		31,040	28,945
Benefit income (net of direct benefit to donors of $92,494 and $69,451 respectively) (Note 4)	104,006	$33,200	137,206	303,949
Interest income	1,076		1,076	2,291
Net assets released from restrictions	27,000	(27,000)	0	0
Total public support and revenue	261,854	6,200	268,054	419,417
Expenses:				
Program services	81,900		81,900	113,712
Supporting services:				
Management and general	33,864		33,864	41,746
Fundraising - annual dinner event	73,587		73,587	114,746
Total supporting services	107,451	0	107,451	156,492
Total expenses	189,351	0	189,351	270,204
Change in net assets	72,503	6,200	78,703	149,213
Net assets - beginning of year	580,762	27,000	607,762	458,549
Net assets - end of year	$653,265	$33,200	$686,465	$607,762

The attached notes and auditors' report
are an integral part of these financial statements.

WHARTON BUSINESS SCHOOL CLUB OF NEW YORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011
(With comparative totals for the year ended June 30, 2010)

		Supporting Services				
	Program Services	Management and General	Fundraising - Annual Dinner Event	Total	Total Expenses 6/30/11	Total Expenses 6/30/10
Accounting		$9,112		$9,112	$9,112	$9,202
Credit card processing charges	$5,728		$5,778	5,778	11,506	6,387
Salaries and related costs	11,252	2,251	1,500	3,751	15,003	59,344
General & administrative expenses	13,890	3,677	661	4,338	18,228	
Program and lecture expense	20,325			0	20,325	16,271
Liability insurance		4,950		4,950	4,950	4,501
Rent		13,200		13,200	13,200	8,736
Office, postage and printing	8,819			0	8,819	7,782
Telephone		335		335	335	790
Website and newsletter	21,886	339		339	22,225	39,037
Awards and grants				0	0	10,000
Annual dinner event - other direct expenses			65,648	65,648	65,648	108,154
Total	$81,900	$33,864	$73,587	$107,451	$189,351	$270,204

The attached notes and auditors' report
are an integral part of these financial statements.

WHARTON BUSINESS SCHOOL CLUB OF NEW YORK, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011
(With comparative totals for the year ended June 30, 2010)

	6/30/11	6/30/10
Cash flows from operating activities:		
Change in net assets	$78,703	$149,213
(Increase)/decrease in assets:		
Prepaid special event expenses	2,397	(29,378)
Accounts receivable	24,989	(19,090)
Other assets	1,035	(2,557)
Increase/(decrease) in liabilities:		
Accounts payable	(12,391)	26,435
Deferred membership dues	15,294	(198)
Total adjustments	31,324	(24,788)
Net cash provided by operating activities/net increase in cash and cash equivalents	110,027	124,425
Cash and cash equivalents - beginning	599,059	474,634
Cash and cash equivalents - ending	$709,086	$599,059

Supplemental Information:
Interest and taxes paid - $0

The attached notes and auditors' report
are an integral part of these financial statements.

WHARTON BUSINESS SCHOOL CLUB OF NEW YORK, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Note 1 - Organization

Wharton Business School Club of New York, Inc. ("the Organization"), located in New York City, is operated as a not-for-profit entity and is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code. The Organization has not been designated as a private foundation.

The Organization's mission is to provide excellent business, career, academic, and social opportunities and services to all members of the Wharton Business School Club of New York in the NY metropolitan area; to promote the Wharton School throughout the NY metropolitan area; to encourage and support the Wharton School; to nurture the relationship between NY metropolitan area alumni and the Wharton School; and to set the standard by which other Wharton Clubs shall be judged.

Note 2 - Significant Accounting Policies

a. Basis of Accounting
The financial statements of the Organization have been prepared on the accrual basis of accounting, and accordingly reflect all significant receivables, payables, and other liabilities.

b. Basis of Presentation
The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

- *Unrestricted net assets* – represents all activity without donor imposed restrictions as well as activity with donor imposed restrictions that expire within the same period.

- *Temporarily restricted net assets* – accounts for activity based on specific donor restrictions that are expected to be satisfied by passage of time or performance of activities.

- *Permanently restricted net assets* – represents donor restricted contributions, which must remain intact permanently according to that donor's specific request. The Organization did not have any permanently restricted contributions or net assets during the year ended June 30, 2011.

c. Contributions
A contribution is defined as an unconditional transfer of assets or a settlement of liabilities in a voluntary, nonreciprocal transfer. Contributions received with restrictions that expire in the same period are reported as unrestricted. All other donor-restricted support is reported as an increase in temporarily restricted net

assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

d. Contributions Receivable

The Organization records unconditional promises to give as revenue in the period received at the present value of the expected cash inflow. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The Organization establishes a reserve for bad debts based on historical experience. Pledges are written-off against the reserve at the point in time where management deems that all reasonable collection efforts have been exhausted.

e. Cash and Cash Equivalents

The Organization considers all liquid investments with an initial maturity of twelve months or less to be cash and cash equivalents.

f. Deferred Membership Dues

Membership dues collected that relate to future periods is deferred and recognized as income in the period earned.

g. Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist principally of temporary cash investments. The Organization places its temporary cash investments with financial institutions that have $250,000 limits of insurance from the FDIC. As of June 30, 2011, the Organization had uninsured balances in of $282,280 in excess of these limits.

h. Expense Allocation/Management Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, results could differ from those estimates.

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

i. Comparative Financial Information

The 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 financial statements for the year ended June 30, 2010, from which the summarized information was derived.

j. Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through May 4, 2012, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

Note 3 - Temporarily Restricted Net Assets

As of June 30, 2011, temporarily restricted net assets of $6,200 consist of contributions received for the next fiscal year's annual dinner event.

As mentioned in Note 2b, contributions received with donor restrictions are recorded as temporarily restricted until the restrictions are satisfied.

The following schedule summarizes this activity:

	Balance 6/30/10	Contributions	Released from Restrictions	Balance 6/30/11
Annual dinner event support	$27,000	$33,200	($27,000)	$33,200

Note 4 - Benefit Income

During the fiscal year ended June 30, 2011, the Organization held a fundraising event. Direct expenses of the event that benefited donors have been netted with benefit income in the public support section, and other direct costs have been shown as annual dinner event expenses. The financial summary of the event is as follows:

	6/30/11	6/30/10
Income (inclusive of $27,000 and $5,000, respectively released from restrictions)	$223,500	$351,400
Less: costs of direct benefits to donors	(92,494)	(69,451)
	131,006	281,949
Less: other costs	(73,587)	(114,746)
Net benefit income	$57,419	$167,203