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Return of Organization Exempt From Income Tax

OMB No 1545-0047

2007

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2007 calendar year, or tax year beginning July 1, 2007, and ending June 30, 20 08

B Check if applicable:

☐ Address change☐ Name change☐ Initial return☐ Termination☒ Amended return☐ Application pending

Please use IRS label or print or type. See Specific instructions.

C Name of organization

Young Audiences, Inc.

Number and street (or P.O. box if mail is not delivered to street address) Room/suite

115 East 92nd Street

City or town, state or country, and ZIP + 4

New York, NY 10128

D Employer identification number

13 1688246

E Telephone number

(212) 831-8110

F Accounting method: ☐ Cash ☒ Accrual☐ Other (specify) ▶

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☐ No

(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶

M Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

G Website: ▶ youngaudiences.org

J Organization type (check only one) ▶ ☒ 501(c)(3) (insert no.) ☐ 4947(a)(1) or ☐ 527K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 12,527,046

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

1 Contributions, gifts, grants, and similar amounts received:					
a Contributions to donor advised funds	1a				
b Direct public support (not included on line 1a)	1b	3,261,736			
c Indirect public support (not included on line 1a)	1c				
d Government contributions (grants) (not included on line 1a)	1d				
e Total (add lines 1a through 1d) (cash \$3,261,736 noncash \$)	1e			3,261,736	
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2				
3 Membership dues and assessments	3			233,058	
4 Interest on savings and temporary cash investments	4			16,548	
5 Dividends and interest from securities	5			221,915	
6a Gross rents	6a				
b Less: rental expenses	6b				
c Net rental income or (loss). Subtract line 6b from line 6a	6c				
7 Other investment income (describe ▶)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities	8a	(B) Other		
b Less: cost or other basis and sales expenses	8,646,930	8a			
c Gain or (loss) (attach schedule) A	7,977,581	8b			
d Net gain or (loss). Combine line 8c, columns (A) and (B)	8c				
8d				669,349	
9 Special events and activities (attach schedule). If any amount is from gaming, check here ☐					
a Gross revenue (not including \$ A 458,671 of contributions reported on line 1b)	9a	146,859			
b Less: direct expenses other than fundraising expenses	9b	(217,582)			
c Net income or (loss) from special events. Subtract line 9b from line 9a	9c			(70,723)	
10a Gross sales of inventory, less returns and allowances	10a				
b Less: cost of goods sold	10b				
c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c				
11 Other revenue (from Part VII, line 103)	11				
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12			4,331,883	
13 Program services (from line 44, column (B))	13			2,471,872	
14 Management and general (from line 44, column (C))	14			310,236	
15 Fundraising (from line 44, column (D))	15			182,613	
16 Payments to affiliates (attach schedule)	16				
17 Total expenses. Add lines 13 and 14, column (A)	17			2,964,721	
18 Excess or (deficit) for the year. Subtract line 17 from line 12	18			1,367,162	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			8,096,372	
20 Other changes in net assets or fund balances (attach explanation) A	20			(1,389,907)	
21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21			8,073,627	

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Cat No. 11282Y

Form 990 (2007)

SCANNED JAN 19 2010

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22a	Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here ☐	22a				
22b	Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here ☐	22b				
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25a	Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a				
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b				
c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c				
26	Salaries and wages of employees not included on lines 25a, b, and c	26				
27	Pension plan contributions not included on lines 25a, b, and c	27				
28	Employee benefits not included on lines 25a - 27	28				
29	Payroll taxes	29				
30	Professional fundraising fees	30				
31	Accounting fees	31				
32	Legal fees	32				
33	Supplies	33				
34	Telephone	34				
35	Postage and shipping	35				
36	Occupancy	36				
37	Equipment rental and maintenance	37				
38	Printing and publications	38				
39	Travel	39				
40	Conferences, conventions, and meetings	40				
41	Interest	41				
42	Depreciation, depletion, etc. (attach schedule)	42				
43	Other expenses not covered above (itemize):					
a		43a				
b	See attachment B	43b				
c		43c				
d		43d				
e		43e				
f		43f				
g		43g				
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	2,964,721	2,471,872	310,236	182,613

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____;

(iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts but optional for others.)
a see attachment C _____ _____ _____ _____ _____ (Grants and allocations \$ <u>199,601</u>) If this amount includes foreign grants, check here ▶ ☐	2,471,872
b _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ ☐	
c _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ ☐	
d _____ _____ _____ _____ _____ (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here ▶ ☐	
f Total of Program Service Expenses (should equal line 44, column (B), Program services). ▶	2,471,872

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
Assets	45 Cash—non-interest-bearing	10,187	45	(4,960)	
	46 Savings and temporary cash investments	66,612	46	716,249	
	47a Accounts receivable	47a			
	b Less: allowance for doubtful accounts	47b	44,598	47c	82,795
	48a Pledges receivable	48a		48c	
	b Less: allowance for doubtful accounts	48b			
	49 Grants receivable	130,000	49	1,160,750	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a		
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b		
	51a Other notes and loans receivable (attach schedule)	51a			
	b Less: allowance for doubtful accounts	51b		51c	
	52 Inventories for sale or use		52		
	53 Prepaid expenses and deferred charges	71,325	53	44,502	
	54a Investments—publicly-traded securities ☐ Cost ☒ FMV	8,426,917	54a	6,527,487	
	b Investments—other securities (attach schedule) ☐ Cost ☐ FMV		54b		
	55a Investments—land, buildings, and equipment: basis	55a			
	b Less: accumulated depreciation (attach schedule)	55b		55c	
	56 Investments—other (attach schedule)		56		
	57a Land, buildings, and equipment: basis	57a	289,384		
b Less: accumulated depreciation (attach schedule) <u>E</u>	57b	262,058	35,642	57c	27,326
58 Other assets, including program-related investments (describe <u>security deposits & cash surrender value of pensio</u>)	273,317	58	317,416		
59 Total assets (must equal line 74). Add lines 45 through 58	9,058,598	59	8,871,566		
Liabilities	60 Accounts payable and accrued expenses	315,432	60	205,145	
	61 Grants payable	212,115	61	17,425	
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63		
	64a Tax-exempt bond liabilities (attach schedule)		64a		
	b Mortgages and other notes payable (attach schedule)		64b		
	65 Other liabilities (describe <u>accrued pension</u>)	434,678	65	575,368	
	66 Total liabilities. Add lines 60 through 65	962,225	66	797,938	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted	1,917,833	67	1,046,700	
	68 Temporarily restricted	1,057,052	68	1,900,165	
	69 Permanently restricted	5,121,487	69	5,126,762	
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
	73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	8,096,372	73	8,073,627	
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	9,058,597	74	8,871,565	

Yes	No
-----	----

43

75b

75c

75d

✓

Part V-B

none

Yes	No
-----	----

76

77

78a

78b

79

80a

1 2 3

181a

81b

Part VI Other Information (continued)

Yes No

82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?

82a ☒ Yes ☐ No

b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II.
(See instructions in Part III.)

82b

83a Did the organization comply with the public inspection requirements for returns and exemption applications?

83a ☒ Yes ☐ No

b Did the organization comply with the disclosure requirements relating to *quid pro quo* contributions?

83b ☒ Yes ☐ No

84a Did the organization solicit any contributions or gifts that were not tax deductible?

84a ☒ Yes ☐ No

b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?

84b ☒ Yes ☐ No

85a 501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?

85a ☐ Yes ☐ No

b Did the organization make only in-house lobbying expenditures of \$2,000 or less?

85b ☐ Yes ☐ No

If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.

c Dues, assessments, and similar amounts from members

85c

d Section 162(e) lobbying and political expenditures

85d

e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices

85e

f Taxable amount of lobbying and political expenditures (line 85d less 85e)

85f

g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?

85g ☐ Yes ☐ No

h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?

85h ☐ Yes ☐ No

86 501(c)(7) orgs. Enter: **a** Initiation fees and capital contributions included on line 12

86a

b Gross receipts, included on line 12, for public use of club facilities

86b

87 501(c)(12) orgs. Enter: **a** Gross income from members or shareholders

87a

b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)

87b

88a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX

88a ☐ Yes ☒ No

b At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI

88b ☐ Yes ☒ No

89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ☐ none; section 4912 ☐ none; section 4955 ☐ none

b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction

89b ☐ Yes ☒ No

c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ☐ none

d Enter: Amount of tax on line 89c, above, reimbursed by the organization ☐ none

e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?

89e ☐ Yes ☒ No

f All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?

89f ☐ Yes ☒ No

g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?

89g ☐ Yes ☒ No

90a List the states with which a copy of this return is filed ☒ New York

b Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)

90b

11

91a The books are in care of ☒ Young Audiences, Inc.

Telephone no. ☒ (212) 831-8110

Located at ☒ 115 East 92nd Street New York, NY

ZIP + 4 ☒ 10128

b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?

91b ☐ Yes ☒ No

If "Yes," enter the name of the foreign country ☐

See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? **91c** ☐ Yes ☒ No
 If "Yes," enter the name of the foreign country: _____

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here ☐
 and enter the amount of tax-exempt interest received or accrued during the tax year: **92** | _____

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					233,058
95 Interest on savings and temporary cash investments			14	16,548	
96 Dividends and interest from securities			14	221,915	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	669,349	
101 Net income or (loss) from special events					(70,723)
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				907,812	162,335
105 Total (add line 104, columns (B), (D), and (E))					1,070,147

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
94	local affiliate dues
101	national fundraising events

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization **make** any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

Yes	No
	☒

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

107 Did the reporting organization **receive** any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	☒

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	☒

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here	Signature of officer <u>Richard Bell</u> Date <u>1/21/09</u>	
	Type or print name and title <u>Richard Bell, National Executive Director</u>	
Paid Preparer's Use Only	Preparer's signature <u>[Signature]</u> Date <u>1/16/09</u>	Check if self-employed ☐
	Firm's name (or yours if self-employed), address, and ZIP + 4 <u>WEISER LLP</u>	Preparer's SSN or PTIN (See Gen Inst X) <u>13-1459150</u>
		EIN <u>13-1459150</u> Phone no <u>()</u>

135 W 50 ST NY NY 10010

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

OMB No. 1545-0047

2007

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

Young Audiences Inc

Employer identification number

13-1688246

Part I

Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Larry Stein c/o YA, Inc. 115 East 92nd St NY NY 10128	Dir. of Interactive Media - 40 hrs	114,780	19,878	
Marie Komisar c/o YA, Inc. 115 East 92nd St NY NY 10128	National Dir. of Development - 40hrs	100,063	17,329	
Leni Welte c/o YA, Inc. 115 East 92nd St NY NY 10128	Controller - 40 hrs	95,000	16,452	
Jane Bak c/o YA, Inc. 115 East 92nd St NY NY 10128	Dir. of National Services - 40 hrs	88,877	15,392	
Janis Norman c/o YA, Inc. 115 East 92nd St NY NY 10128	Dir. of Education & Prof. Dev. 40 hrs	89,300	15,465	
Total number of other employees paid over \$50,000	1			

Part II-A

Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services		

Part II-B

Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Pete Gerber Ed Design Group 2701 NE 28th St. ft Lauderdale, FL 33306	Arts for Learning project Manager	171,675
Total number of other contractors receiving over \$50,000 for other services	0	

Part III Statements About Activities (See page 2 of the instructions.)

Yes No

- 1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)

1 ✓

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

- 2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)

a Sale, exchange, or leasing of property?

2a ✓

b Lending of money or other extension of credit?

2b ✓

c Furnishing of goods, services, or facilities?

2c ✓

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2d ✓

See Form 990, Part V-A

e Transfer of any part of its income or assets?

2e ✓

- 3a Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)

3a ✓

b Did the organization have a section 403(b) annuity plan for its employees?

3b ✓

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement

3c ✓

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d ✓

- 4a Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a ✓

b Did the organization make any taxable distributions under section 4966?

4b ✓

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c ✓

d Enter the total number of donor advised funds owned at the end of the tax year ▶ _____

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶ _____

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶ _____

0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶ _____

0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)I certify that the organization is not a private foundation because it is. (Please check only **ONE** applicable box.)

- 5** ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ►
- 10** ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** ☐ An organization that normally receives (1) more than 33½% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33½% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13** ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					►

- 14** ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.***Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	2,429,456	2,268,650	2,110,880	2,014,148	8,823,134
16 Membership fees received	229,031	221,812	216,301	223,999	891,143
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	580,949	732,691	658,028	635,973	2,607,641
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	216,290	147,159	228,847	365,216	957,512
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	3,455,726	3,370,312	3,214,056	3,239,336	13,279,430
24 Line 23 minus line 17	2,874,777	2,637,621	2,556,028	2,603,363	10,671,789
25 Enter 1% of line 23	34,557	33,703	32,141	32,393	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					26a 213,436
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 6,145,296
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 10,671,789
d Add: Amounts from column (e) for lines: 18 957,512 19 22 6,145,296					26d 7,102,808
e Public support (line 26c minus line 26d total)					26e 3,568,981
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 33 %
27 Organizations described on line 12:					
a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year:					
(2006) (2005) (2004) (2003)					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:					
(2006) (2005) (2004) (2003)					
c Add: Amounts from column (e) for lines: 15 16 17 20 21					27c
d Add: Line 27a total and line 27b total					27d
e Public support (line 27c total minus line 27d total)					27e
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	31	

32 Does the organization maintain the following:	32a	
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		

33 Does the organization discriminate by race in any way with respect to:	33a	
a Students' rights or privileges?	33a	
b Admissions policies?	33b	
c Employment of faculty or administrative staff?	33c	
d Scholarships or other financial assistance?	33d	
e Educational policies?	33e	
f Use of facilities?	33f	
g Athletic programs?	33g	
h Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		

34a Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b Has the organization's right to such aid ever been revoked or suspended?	34b	
If you answered "Yes" to either 34a or b, please explain using an attached statement.		

35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ☐ **a** if the organization belongs to an affiliated group Check ☐ **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term "expenditures" means amounts paid or incurred)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount. Enter the amount from the following table—		
If the amount on line 40 is—		The lobbying nontaxable amount is—	
Not over \$500,000		20% of the amount on line 40	
Over \$500,000 but not over \$1,000,000		\$100,000 plus 15% of the excess over \$500,000	
Over \$1,000,000 but not over \$1,500,000		\$175,000 plus 10% of the excess over \$1,000,000	
Over \$1,500,000 but not over \$17,000,000		\$225,000 plus 5% of the excess over \$1,500,000	
Over \$17,000,000		\$1,000,000	
41		41	
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
See the instructions for lines 45 through 50 on page 13 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h.)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (Add lines c through h.)

Yes	No	Amount
	☒	
	☒	
	☒	
	☒	
	☒	
	☒	
	☒	
	☒	
	☒	
	☒	-0-

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Schedule A (Form 990 or 990-EZ) 2007

Line 8c: Gain or (loss) (attach schedule) - this information is included in Attachment D - the schedule of investments - securities required on line 54

Line 9: Special events and activities

Special Events:	ANNUAL BENEFIT
Gross Receipts	605,530
Less: Contributions	458,671
Gross Revenue	146,859
Less: Direct Expenses	<u>217,582</u>
Net Income	(70,723)

Line 20: Other changes in net assets or fund balances

Net unrealized loss on investments	(1,389,907)
------------------------------------	-------------

Form 990 Part II - Statement of Functional Expenses

Year ended June 30, 2008

Attachment B

			(A) Total	(B) Program Services	(C) Managment & General	(D) Fundraising
22	Grants and allocations to Affiliates	22	199,601	199,601	-	-
23	Specific assistance to individuals	23				
24	Benefits paid to or for members	24				
25	Compensation of officers, directors, etc	25	188,074	148,578	20,688	18,807
26	Other salaries and wages	26	740,318	584,852	81,435	74,032
27	Pension plan contributions	27	286,711	226,502	31,538	28,671
28	Other employee benefits	28	83,212	65,738	9,153	8,321
29	Payroll Taxes	29	63,508	50,171	6,986	6,351
30	Professional fundraising fees	30				
31	Accounting	31	28,264	-	28,264	-
32	Professional Fees	32	3,071	2,303	768	-
33	Office supplies, telephone	33	74,548	58,893	8,200	7,455
34	Telephone	34	24,076	19,020	2,648	2,408
35	Postage & shipping	35	14,933	11,797	1,643	1,493
36	Occupancy	36	88,149	69,638	9,696	8,815
37	Equipment rental and maintenance	37	-			
38	Printing and publications	38	48,480	38,299	5,333	4,848
39	Travel	39	84,428	66,698	9,287	8,443
40	Conferences, conventions and meetings	40	97,718	77,197	10,749	9,772
41	Interest and administrative charges	41	-			
42	Depreciation (attachment)	42	15,880	12,546	1,747	1,587
43a	Consultants-	43a	155,782	155,782	-	-
43b	Consultants - Arts for Learning	43b	420,980	420,980	-	-
43c	Affiliate Development	43c	183,589	183,589	-	-
43d	Advocacy	43d	62,637	62,637	-	-
43h	Miscellaneous	43e	16,097	12,717	1,770	1,610
43j	Media Production	43f	4,334	4,334	-	-
43l	Investment Management Fees	43g	80,331		80,331	
44		44	2,964,721	2,471,872	310,236	182,613

Young Audiences, Inc. - ID #13-1688246
Form 990 - Part III, Line a - Statement of Program Service Accomplishments
Year Ended June 30, 2008
Attachment C

Young Audiences, Inc. is the nation's leading source of arts-in-education services. Our goal is to help the broad network of Young Audiences' affiliated organizations play a decisive role in children's development. Today, Young Audiences is responding to the challenge of educational reform and emerging cultural issues by helping to create community-wide collaborations on behalf of the arts and education. Last year Young Audiences reached nearly 7 million schoolchildren with approximately 100,000 programs in 8,000 schools across the nation. Throughout the school year, youngsters had the opportunity to learn and grow through their participation in music, dance, theater, visual, and language arts programs. The primary functions of National YA are to provide information and consulting services for affiliates in program, administration and fund raising; and to monitor the policies and program quality of affiliates throughout the United States for adherence to the standards set by Young Audiences, Inc. Total grants under Program Service expenses (line 22) equals \$199,601.

Form 990, Schedule A
Part IV-A, Lines 15-26
Year Ended June 30, 2007
Attachment J

	over \$213,436			
YEAR	DONOR	AMOUNT	TOTAL OF ACCUM. Gifts	net of line 26a
2003-04	Starr Foundation	791,496		213,436
2004-05		1,296,758		
2005-06		1,300,000		
2006-07		1,489,258	4,877,512	4,664,076
2003-04	Fribourg Foundation			
2004-05				
2005-06				
2006-07			-	
2003-04	Hewlett Foundation			
2004-05		150,000		
2005-06		150,000		
2006-07		150,000	450,000	236,564
2003-04	Rubin Postaer	374,026		
2004-05		203,609		
2005-06		-		
2006-07		-	577,635	364,199
2003-04	MetLife Foundation	225,000		
2004-05		225,000		
2005-06		525,000		
2006-07		-	975,000	761,564
2003-04	Maurice R and Corinne P Greenberg Fdtn	35,000		
2004-05		150,000		
2005-06		125,000		
2006-07		25,000	335,000	121,564
2006-07	Fidelity Trust	250,000	250,000	36,564
		7,465,147	7,465,147	
				6,184,532
				1,280,615

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Young Audiences, Inc. - ID # 13-1688246
Form 990, Part V List of Officers, Directors, Trustees, and Key Employees
Year Ended June 30, 2008
Attachment F

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contrib. to employee plans	(E) Exp. acct. and other allow
Brooks Thomas c/o YA 115 East 92nd St New York, NY 10128	Chairman 15 hour per month	0	0	0
John Creamer c/o YA 115 East 92nd St New York, NY 10128	President 15 hour per month	0	0	0
Thomas Berner c/o YA 115 East 92nd St New York, NY 10128	Vice President 15 hour per month	0	0	0
Mary Ann Fribourg c/o YA 115 East 92nd St New York, NY 10128	Vice President 15 hour per month	0	0	0
Barbara Robinson c/o YA 115 East 92nd St New York, NY 10128	Vice President 15 hour per month	0	0	0
Corinne Greenberg c/o YA 115 East 92nd St New York, NY 10128	Vice President 15 hour per month	0	0	0
Lady Maughan c/o YA 115 East 92nd St New York, NY 10128	Vice President 15 hour per month	0	0	0
Sue Ann Weinberg c/o YA 115 East 92nd St New York, NY 10128	Vice President 15 hour per month	0	0	0
James Gellert c/o YA 115 East 92nd St New York, NY 10128	Secretary 15 hour per month	0	0	0
Nathan W. Pearson, Jr. c/o YA 115 East 92nd St New York, NY 10128	Treasurer 15 hour per month	0	0	0
Kevin J Bradicich c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0

Young Audiences, Inc. - ID # 13-1688246
Form 990, Part V List of Officers, Directors, Trustees, and Key Employees
Year Ended June 30, 2008
Attachment F

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contrib. to employee plans	(E) Exp. acct. and other allow
Minette Cooper c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Dale Frehse c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Jean Graupman c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Scott Greenberg c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Marilyn Grounds c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Dr Willie L Hill, Jr. c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Jean Hodges c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
David Houser c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Marjorie Hyman c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Gretchen Kimball c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Peter S. Kraus c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0

Young Audiences, Inc. - ID # 13-1688246
Form 990, Part V List of Officers, Directors, Trustees, and Key Employees
Year Ended June 30, 2008
Attachment F

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contrib to employee plans	(E) Exp acct and other allow
Elizabeth B Lundqvist c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Yo-Yo Ma c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Vincent A. Mai c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Wynton Marsalis c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Dr. Kathryn A. Martin c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Sue Mercy c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Frederick J Morsches c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Mary Nass c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Meridel J Prideaux c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Eric Pripstein c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
L. Jan Robertson c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0

Young Audiences, Inc. - ID # 13-1688246
Form 990, Part V List of Officers, Directors, Trustees, and Key Employees
Year Ended June 30, 2008
Attachment F

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contrib to employee plans	(E) Exp acct and other allow
John S. Rose c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Ginger Sager c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Martin E. Segal c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Elizabeth W. Smith c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Estelle Sosland c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Richard Stoltzman c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Cheryl Strain c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Guy Townsend c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Diane K R Volk c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0
Nola L. Whiteman c/o YA 115 East 92nd St New York, NY 10128	Director 15 hour per month	0	0	0

Young Audiences Inc.
Fixed Asset Schedule
6/30/2008

ROLLED FORWARD SCHEDULE FROM PRIOR YEAR

Date Acquired	Description	Beginning Balance	Additions Deletions	Ending Balance	Life/ Method	Number months in 2008	Current Depreciation 06/30/08	Accum Depr as of 06/30/08	Net Asset 06/30/08
1999									
7/8/1998	Filemaker Pro	3,325			5 yr S/L				
8/11/1998	Filemaker Pro	423			5 yr S/L				
10/31/1998	Computer - Gateway	2,446			5 yr S/L				
10/31/1998	Thinkpad - PC Connection	3,599			5 yr S/L				
10/31/1998	Electronics- The Wiz	171			5 yr S/L				
12/23/1998	Filemaker Pro	124			5 yr S/L				
3/5/1999	Filemaker Pro	128			5 yr S/L				
2/23/1999	Software - PC Connection	2,429			5 yr S/L				
6/30/1999	Computers & Software	11,053			5 yr S/L				
	Subtotal Y/E 6/99	23,696							
2000									
7/19/1999	Computer/hardware greg's laptop	2,333			5 yr S/L				
11/16/1999	firewall	464			5 yr S/L				
12/17/1999	Computer/hardware	2,318			5 yr S/L				
2/3/2000	Pnnlr	960			5 yr S/L				
2/24/2000	Computer/hardware	2,588			5 yr S/L				
	Subtotal Y/E 6/00	8,663							
2001									
10/31/2000	American Express	1,032			5 yr S/L				
12/31/2000	American Express	4,128			5 yr S/L				
6/30/2001	American Express	1,343			5 yr S/L				
6/30/2001	Photoshop Software	783			3yr S/L				
	Subtotal Y/E 6/01	7,287							
2002									
November-01	American Express - Jans printer	745			5 yr S/L			745	
December-01	American Express - Jans computer	1,264			5 yr S/L			1,264	
	Subtotal Y/E 6/02	2,009						2,009	
2003									
30-Jun-02	Gregg's Computer	720			5 yr S/L			720	
10/9/2002	SWL License Software	4,742			5 yr S/L			4,742	
	Larry's Laptop	1,952			5 yr S/L			1,952	
	NY Battery Backup	260			5 yr S/L			260	
	R Bell Dud	290			5 yr S/L			290	
	Travelling HD for video	241			5 yr S/L			241	
	RB Laptop etc.	437			5 yr S/L			437	

Young Audiences Inc.
Fixed Asset Schedule
6/30/2008

ROLLED FORWARD SCHEDULE FROM PRIOR YEAR

Date Acquired	Description	Beginning Balance	Additions	Deletions	Ending Balance	Life/ Method	Number months in 2008	Current Depreciation 06/30/08	Accum Depr as of 06/30/08	Net Asset 06/30/08
2/21/2003	Isabella's Computer	733			733	5 yr S/L	94		733	(0)
3/20/2003	Leni's Laptop	2,018			2,018	5 yr S/L	292		2,018	(0)
3/20/2003	Gregg's Laptop	2,018			2,018	5 yr S/L	292		2,018	(0)
4/2/2003	Richard's Calendar software	529			529	3 yr S/L	529		529	-
	Subtotal YE 6/03	13,938			13,938		1,668		13,940	(1)
8/28/2003	Computer	2,354			2,354	5 yr S/L	471		2,276	79
12/28/2003	Computer	2,246			2,246	5 yr S/L	449		2,021	224
3/12/2004	Computer	2,570			2,570	5 yr S/L	514		2,256	314
	Computer - Marie	992			992	5 yr S/L	198		827	165
	Subtotal YE 6/04	8,162			8,162		1,632		7,380	782
9/23/2004	Copier	588			588	5 yr S/L	118		441	147
10/31/2004	Computer	585			585	5 yr S/L	117		429	156
12/31/2004	Projector screen	1,174			1,174	5 yr S/L	235		821	353
	Subtotal YE 6/05	2,347			2,347		469		1,691	656
12/5/2005	Dell commercial credit	4,282			4,282	5 yr S/L	856		2,212	2,070
12/16/2005	Jacobson Consulting Apps. - new serve	4,204			4,204	5 yr S/L	841		2,172	2,032
2/21/2006	Jacobson Consulting Apps. - installing n	1,375			1,375	5 yr S/L	275		642	733
2/21/2006	Jacobson Consulting Apps. - installing n	750			750	5 yr S/L	150		350	400
2/21/2006	Jacobson Consulting Apps. - installing n	1,000			1,000	5 yr S/L	200		467	533
5/19/2006	Dell commercial credit - Bryn's compute	945			945	5 yr S/L	189		394	551
6/29/2006	Dell commercial credit- california	1,004			1,004	5 yr S/L	201		401	602
	Subtotal YE 6/06	13,559			13,559		2,712		6,638	6,922
10/31/2006	Dell Commercial Credit	-	1,895		1,895	5 yr S/L	379		632	1,263
11/1/2006	Dell Commercial Credit - Larry's	-	1,806		1,806	5 yr S/L	361		602	1,204
4/1/2007	Dell Commercial Credit - Katie's Com	-	805		805	5 yr S/L	161		201	604
6/30/2007	Dell Commercial Credit - Larry's	-	2,133		2,133	5 yr S/L	427		427	1,706
	Subtotal YE 6/07	-	6,639		6,639		1,328		1,862	4,777
8/31/2007	Mac Talk 2 - Larry's computer	-	3,193		3,193		10	532	532	2,661

Number months in 2008	Current Depreciation	Accum Depr as of	Net Asset
10	532	532	2,661
	8,342	34,052	15,797

Page 4 of 10

Young Audiences Inc.
Fixed Asset Schedule
6/30/2008

ROLLED FORWARD SCHEDULE FROM PRIOR YEAR

Date Acquired	Description	Beginning Balance	Additions	Deletions	Ending Balance	Life/ Method	Number months in 2008	Current Depreciation	Accum Depr as of	Net Asset
	Subtotal Y/E 6/86	150		-	150					
1988										
	Computer Line	240			240	5 yr S/L				
12/29/87	Telephone Answer. Mace.	108			108	5 yr S/L				
	Subtotal Y/E 6/88	349		-	349					
1989										
	Typewriter	463			463	5 yr S/L				
4/20/89	Typewriter	352			352	5 yr S/L				
5/15/89	Air Conditioner	483			483	5 yr S/L				
6/15/89	Vacuum Cleaner	170			170	5 yr S/L				
	Subtotal Y/E 6/89	1,468		-	1,468					
1990										
	Barbara Strong	450			450	5 yr S/L				
8/2/89	Office Furn Center	178			178	5 yr S/L				
8/3/89	Office Furn Center	208			208	5 yr S/L				
9/13/89	Barbara Strong	275			275	5 yr S/L				
9/21/89	Information Products	460			460	5 yr S/L				
9/28/89	Barbara Strong	1,311			1,311	5 yr S/L				
10/18/89	Barbara Strong	391			391	5 yr S/L				
11/29/89	Barbara Strong	1,396			1,396	5 yr S/L				
1/12/90	Muntz	162			162	5 yr S/L				
4/17/90	Barbara Strong	1,100			1,100	5 yr S/L				
6/29/90	PAL Productions									
	Subtotal Y/E 6/90	5,932		-	5,932					
1992										
	Air Conditioner	489			489	5 yr S/L				
8/15/91	Chair for RB office	490			490	5 yr S/L				
4/3/92										
	Subtotal Y/E 6/92	979		-	979					
1993										
	Office furniture Center	196			196	5 yr S/L				
09/18/92	Office furniture Center	1,148			1,148	5 yr S/L				
09/16/92	Barbara Davis	170			170	5 yr S/L				
12/15/92	Pal Productions	355			355	5 yr S/L				
02/16/93	Adjusting journal entry	(170)			(170)					

Young Audiences Inc.
Fixed Asset Schedule
6/30/2008

ROLLED FORWARD SCHEDULE FROM PRIOR YEAR

Date Acquired	Description	Beginning Balance	Additions	Deletions	Ending Balance	Life/Method	Number months in 2008	Current Depreciation as of 06/30/08	Accum Depr as of 06/30/08	Net Asset 06/30/08
	Subtotal Y/E 6/93	1,699			1,699					
1994										
01/05/94	THE WIZ-STERIO/AUDIO EQUIPT	239			239	5 yr S/L				
02/10/94	THE WIZ-AUDIO/VIDEO EQUIPT	570			570	5 yr S/L				
03/21/94	QUILL CORPORATION - DESK	359			359	5 yr S/L				
03/31/94	THE WIZ-AUDIO/VIDEO EQUIPT	280			280	5 yr S/L				
06/03/94	CASTRO CONVERTIBLES - DEPOSIT BALANCE	405			405	5 yr S/L				
	Subtotal of \$404.95 & \$800.00 ---->	800			800	5 yr S/L				
		1,205			1,205					
	Subtotal Y/E 6/94	2,653			2,653					
1995										
8/8/94	IMED - PROJECTOR	439			439	5 yr S/L				
9/27/94	DATAWORKS- FILE CABINET	325			325	5 yr S/L				
2/15/95	STAPLES- CABINET	614			614	5 yr S/L				
2/28/95	STAPLES- COMPUTER DESKS	415			415	5 yr S/L				
	Subtotal Y/E 6/95	1,793			1,793					
1996										
08/08/95	E.B.A WHOLESALE CORP.- AIR CONDITI	1,259			1,259	5 yr S/L				
09/27/95	E.B.A WHOLESALE CORP.- AIR CONDITI	200			200	5 yr S/L				
	Subtotal Y/E 6/96	1,459			1,459					
1998										
6/16/1998	Air Conditioner	658			658	5 yr S/L				
12/3/1997	Copier- Office Max	-			-	5 yr S/L				
11/19/1997	fax machine	300			300	5 yr S/L				
	Subtotal Y/E 6/98	958			958					
1999										
2/23/1999	Chairs	337			337	5 yr S/L				
	Subtotal Y/E 6/99	337			337					

Young Audiences Inc.
Fixed Asset Schedule
6/30/2008

ROLLED FORWARD SCHEDULE FROM PRIOR YEAR

Date Acquired	Description	Beginning Balance	Additions	Deletions	Ending Balance	Life/ Method	Number months in 2008	Current Depreciation	Accum Depr as of	Net Asset
2000										
8/12/1999	Weeks-Lerman Group office chairs	1,033			1,033	5 yr S/L				
11/11/1999	Weeks-Lerman Group binding machine	375			375	5 yr S/L				
1/31/2000	American Express	394			394	5 yr S/L				
3/21/2000	Staples - fax machine	300			300	5 yr S/L				
	Subtotal Y/E 6/00	2,101			2,101					
2001										
8/23/2000	American Express	1,086			1,086	5 yr S/L				
3/15/2001	Staples - fax machine	293			293	5 yr S/L				
6/14/2001	Pilgrim Street - 2 lateral file cabinets	850			850	5 yr S/L				
	Subtotal Y/E 6/01	2,229			2,229					
2002										
11/5/2001	Pilgrim Street - Wide Lateral file	394			394	5 yr S/L				
12/5/2001	Weeks-Lerman Group - computer workstation	190			190	5 yr S/L				
12/18/2001	Staples - fax machine	335			335	5 yr S/L				
April-02	PC Richards - air conditioner	314			314	5 yr S/L				
	Subtotal Y/E 6/02	1,233			1,233					
2003										
Mar-03	Desk Chair	220			220	5 yr S/L		29	220	-
4/30/2003	Printer	170			170	5 yr S/L		28	170	-
	Subtotal Y/E 6/03	390			390			57	390	0
2004										
8/28/2003	Desk Chair	531			531	5 yr S/L		106	522	9
7/31/2003	vacuum cleaner	357			357	5 yr S/L		71	351	6
	Subtotal Y/E 6/04	888			888			177	873.2	14.8
2008										
7/13/2007	air conditioner	750			750	5 yr S/L	12	150	150	600
8/9/2007	lateral file cabinet	858			858	5 yr S/L	11	157	157	701
10/31/2007	office furniture-leni	1,218			1,218	5 yr S/L	8	162	162	1,056
11/30/2007	office furniture - development	1,020			1,020	5 yr S/L	7	119	119	901
	Subtotal Y/E 6/08	3,846			3,846			589	589	3,257
	Total Office equipment	24,618			28,464	TD		823	1,852	3,272

Number	Current	Accum Depr	Net
months	Depreciation	as of	Asset
in 2008	06/30/08	06/30/08	06/30/08

140	1,050	4,406
59	310	1,993

Number months in 2008	Current Depreciation	Accum Depr. as of	Net Asset
	24	122	830
	23	91	799
	24	97	853
	36	99	1,301
	37	102	1,348
	12	25	450
	7	14	261
	24	49	901
	12	17	438
	13	13	512
-	412	1,990	14,091

Capital/Other Assets

Capital Assets:

1993 Capitalized Telephone
1998 Capitalized Telephone
2001 Capitalized Copier
2005 Equipment Buyout

Total Capital and Other Assets

UISUM of accounts 10-1410-00 and 10-1450-00

Camera & Video Equipment

1993 Camera equipment

**2001 Projector
Video Car**

Subtotal Y/E 6/01

2002

37073 Video tape products
37257 Location sound
37257 Samys Camera
37257 A&S Case Co
37288 Sold off old camera
Subtotal Y/E 6/01

2/28/2004 Camera

Subtotal Y/E 6/04

Number months in 2008	Current Depreciation 06/30/08	Accum Depr as of 06/30/08	Net Asset 06/30/08
	1,024	11,142	521

4,406	52,870	(0)
4,406	52,870	(0)

Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

ATTACHMENT D

NEUBERGER BERMAN

A Lehman Brothers Company

Base Currency : USD
Account Number : 550-97310 203

Positions In Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total Cost	Price	Mkt Value	% Portfolio	Annual Income	Yield
CASH EQUIVALENT										
MONEY MARKET FUNDS										
182,640.1	LEHMAN BROS INSTL LIQUIDITY FDS TREASURY PORT INSTL CL	LHXX	06/05/2008	1.0000	182,640.10	1.0000*	182,640.10	2.80	3,415.37	1.87
TOTAL MONEY MARKET FUNDS					182,640.10		182,640.10	2.80	3,415.37	1.87
TOTAL CASH EQUIVALENT					182,640.10		182,640.10	2.80	3,415.37	1.87
EQUITIES										
CONSUMER NON-CYCLICAL										
1,200	CHATTEM INC	CHTT	06/04/2008	58.8319	70,598.28	65.0500	78,060.00	1.20	0.00	0.00
2,700	CVS CORP		10/18/2007	40.0459	108,123.93		106,839.00			
500	CVS CORP		11/29/2007	40.0735	20,036.75		19,785.00			
300	CVS CORP		12/24/2007	39.8033	11,940.99		11,871.00			
3,500	POSITION TOTAL	CVS		40.0290	140,101.67	39.5700	138,495.00	2.12	840.00	0.61
550	PEPSICO INC		09/29/2004	47.8788	26,416.39		34,974.50			
750	PEPSICO INC		01/05/2007	63.0707	47,303.03		47,692.50			
1,300	POSITION TOTAL	PEP		56.6438	73,719.42	63.5900	82,667.00	1.27	2,210.00	2.67
1,050	PROCTER & GAMBLE CO		01/28/2005	53.9195	56,772.98		63,850.50			
600	PROCTER & GAMBLE CO		02/01/2005	53.1053	31,953.18		36,488.00			
1,650	POSITION TOTAL	PG		53.6234	88,726.16	60.8100	100,336.50	1.54	2,640.00	2.63
1,650	RALCORP HOLDINGS INC NEW		01/11/2008	56.5299	93,274.34		81,576.00			
500	RALCORP HOLDINGS INC NEW		01/18/2008	57.1878	28,593.90		24,720.00			

Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

ATTACHMENT D

NEUBERGER BERMAN
A Lehman Brothers Company

Base Currency : USD
Account Number : 550-97310 203

Positions In Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total Cost	Price	Mkt Value	% Portfolio	Annual Income	Yield
EQUITIES (Continued)										
2,150	POSITION TOTAL	RAH		58.6829	121,868.24	49.4400	106,296.00	1.63	0.00	0.00
TOTAL CONSUMER NON-CYCLICAL					495,013.77		505,854.50	7.75	5,690.00	1.12
CONSUMER CYCLICALS										
450	MCDONALDS CORP		01/14/2005	31.2100	14,112.00		25,299.00			
400	MCDONALDS CORP		01/26/2006	35.2290	14,091.60		22,488.00			
1,250	MCDONALDS CORP		07/26/2007	50.1976	62,747.00		70,275.00			
2,100	POSITION TOTAL	MCD		43.2777	90,950.60	56.2200	118,062.00	1.81	3,150.00	2.67
3,200	NEWS CORPORATION CLASS A		08/15/2007	20.0769	64,246.08		48,128.00			
750	NEWS CORPORATION CLASS A		08/16/2007	19.5793	14,684.48		11,280.00			
350	NEWS CORPORATION CLASS A		12/24/2007	20.7954	7,278.39		5,264.00			
4,300	POSITION TOTAL	NWSA		20.0486	86,208.95	15.0400	64,672.00	0.99	516.00	0.80
550	TIFFANY & CO NEW		01/26/2006	38.3133	21,072.32		22,412.50			
450	TIFFANY & CO NEW		07/13/2006	31.7104	14,269.68		18,337.50			
1,000	POSITION TOTAL	TIF		35.3420	35,342.00	40.7500	40,750.00	0.62	680.00	1.67
TOTAL CONSUMER CYCLICALS					212,501.55		223,484.00	3.42	4,346.00	1.94
ENERGY										
875	EOG RES INC	EOG	08/15/2006	66.1367	57,869.62	131.2000	114,800.00	1.76	420.00	0.37
900	FMC TECHNOLOGIES INC	FTI	12/24/2007	57.2365	51,512.85	76.9300	69,237.00	1.06	0.00	0.00
525	OCCIDENTAL PETE CORP		02/01/2007	46.9536	24,650.64		47,176.50			

Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

ATTACHMENT D

NEUBERGER BERMAN
A Lehman Brothers Company

Base Currency : USD
Account Number : 550-97310 203

Positions in Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total Cost	Price	Mkt Value	% Portfolio	Annual Income	Yield
EQUITIES (Continued)										
500	OCCIDENTAL PETE CORP		05/11/2007	51.8638	25,931.90		44,930.00			
300	OCCIDENTAL PETE CORP		09/05/2007	58.0376	17,411.28		26,958.00			
275	OCCIDENTAL PETE CORP		01/28/2008	64.5785	17,759.09		24,711.50			
1,600	POSITION TOTAL	OXY		53.5956	85,752.91	89.8600	143,776.00	2.20	2,048.00	1.42
150	***SCHLUMBERGER LTD		10/12/2005	40.4256	6,075.09		16,114.50			
1,050	***SCHLUMBERGER LTD		09/11/2006	55.8415	58,633.58		112,801.50			
225	***SCHLUMBERGER LTD		01/18/2008	75.6000	17,010.00		24,171.75			
1,425	POSITION TOTAL	SLB		57.3385	81,718.67	107.4300	153,087.75	2.35	1,197.00	0.78
1,250	XTO ENERGY INC	XTO	02/21/2008	56.9076	71,134.50	68.5100	85,637.50	1.31	600.00	0.70
TOTAL ENERGY					347,988.55		566,538.25	8.68	4,265.00	0.75

FINANCIAL

1,650	AMERICAN EXPRESS COMPANY		09/11/2006	52.5203	86,658.50		62,155.50			
350	AMERICAN EXPRESS COMPANY		12/24/2007	52.6565	18,429.78		13,184.50			
2,000	POSITION TOTAL	AXP		52.5441	105,088.28	37.6700	75,340.00	1.15	1,440.00	1.91
1,000	AMERICAN INTERNATIONAL GROUP INC.			0.0100	0.00		28,460.00			
900	AMERICAN INTERNATIONAL GROUP INC.		07/26/2004	68.6737	61,941.33		23,814.00			
700	AMERICAN INTERNATIONAL GROUP INC.		10/15/2004	57.2995	40,214.65		18,522.00			
1,350	AMERICAN INTERNATIONAL GROUP INC.		06/15/2005	55.4300	74,830.50		35,721.00			

Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

ATTACHMENT D

NEUBERGER BERMAN
A Lehman Brothers Company

Base Currency : USD
Account Number : 550-97310 203

Positions In Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total (1)(4)(9)	Cost	Price	Mkt Value	% Portfolio	Annual Income (6)	Yield (10)
EQUITIES (Continued)											
50	AMERICAN INTERNATIONAL GROUP INC.		06/15/2005	55.4300	2,771.50			1,323.00			
4,000	POSITION TOTAL										
3,000	EQUIFAX INC	AIG		44.8820	179,757.98	26,4600		105,840.00	1.62	3,520.00	3.33
2,000	METLIFE INC	EFX	01/28/2008	34.9984	104,989.20	33.6200		100,860.00	1.55	480.00	0.48
500	METLIFE INC		01/28/2008	55.9809	111,861.80			105,540.00			
2,500	POSITION TOTAL		06/09/2008	57.2098	28,604.90			26,385.00			
		MET		56.2267	140,568.70	52.7700		131,925.00	2.02	500.00	0.38
TOTAL FINANCIAL					530,402.16			413,965.00	6.34	5,940.00	1.43
HEALTHCARE											
1,000	ABBOTT LABORATORIES		10/12/2006	46.6077	46,607.70			52,970.00			
800	ABBOTT LABORATORIES		10/17/2007	51.9758	41,580.48			42,376.00			
1,100	ABBOTT LABORATORIES		04/22/2008	50.5007	55,550.73			58,267.00			
2,900	POSITION TOTAL	ABT		49.5651	143,738.91	52.9700		153,613.00	2.35	4,176.00	2.72
150	BECTON DICKINSON & CO		09/01/2005	52.8251	7,961.27			12,195.00			
900	BECTON DICKINSON & CO		10/07/2005	51.6227	46,595.43			73,170.00			
300	BECTON DICKINSON & CO		05/25/2007	77.1222	23,136.68			24,390.00			
1,350	POSITION TOTAL	BDX		57.4340	77,693.36	81.3000		109,755.00	1.68	1,539.00	1.40
1,150	GENENTECH INC COM NEW		12/20/2007	67.6626	77,811.99			87,285.00			
150	GENENTECH INC COM NEW		12/24/2007	68.1615	10,224.23			11,385.00			
1,300	POSITION TOTAL	DNA		67.7202	88,036.22	75.9000		98,670.00	1.51	0.00	0.00
3,200	HOLOGIC INC		07/24/2007	27.6622	88,519.04			69,760.00			

Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

ATTACHMENT D

NEUBERGER BERMAN
A Lehman Brothers Company

Base Currency : USD
Account Number : 550-97310 203

Positions in Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total (1)(4)(9)	Price	Mkt Value	% Portfolio	Annual Income	Yield
EQUITIES (Continued)										
400	HOLOGIC INC		07/31/2007	26.2652	10,506.08		8,720.00			
1,400	HOLOGIC INC		05/01/2008	23.3984	32,757.71		30,520.00			
500	HOLOGIC INC		05/05/2008	21.9186	10,959.30		10,900.00			
5,500	POSITION TOTAL	HOLX		25.9531	142,742.13	21.8000	119,900.00	1.84	0.00	0.00
700	JOHNSON & JOHNSON		08/20/2003	50.1450	35,208.50		45,038.00			
800	JOHNSON & JOHNSON		01/26/2006	58.7245	46,979.60		51,472.00			
1,500	POSITION TOTAL	JNJ		54.7207	82,186.10	64.3400	96,510.00	1.48	2,760.00	2.86
1,300	ZIMMER HOLDINGS INC		07/02/2007	85.3041	110,895.33		88,465.00			
300	ZIMMER HOLDINGS INC		07/26/2007	81.1009	24,330.27		20,415.00			
400	ZIMMER HOLDINGS INC		12/24/2007	67.5118	27,004.72		27,220.00			
2,000	POSITION TOTAL	ZMH		81.1152	162,230.32	68.0500	136,100.00	2.09	0.00	0.00
TOTAL HEALTHCARE					696,627.04		714,548.00	10.95	8,475.00	1.19

INDUSTRIALS

3,850	***ABB LTD SPONSORED ADR		07/18/2006	11.3899	43,851.12		109,032.00			
400	***ABB LTD SPONSORED ADR		05/11/2007	19.8121	7,924.84		11,328.00			
4,250	POSITION TOTAL	ABB		12.1826	51,775.96	28.3200	120,360.00	1.84	692.75	0.58
2,200	COOPER INDUSTRIES LTD CL A	CBE	01/24/2008	45.4781	100,051.82	39.5000	86,900.00	1.33	2,024.00	2.33
1,100	DANAHER CORP		06/07/2007	72.0778	79,285.58		85,030.00			
400	DANAHER CORP		07/02/2007	78.4825	30,593.00		30,920.00			
1,500	POSITION TOTAL	DHR		73.2524	109,878.58	77.3000	115,950.00	1.78	180.00	0.16



Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

NEUBERGER BERMAN
A Lehman Brothers Company

ATTACHMENT D

Base Currency : USD
Account Number : 550-97310 203

Positions In Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total Cost	Price	Mkt. Value	% Portfolio	Annual Income	Yield
EQUITIES (Continued)										
75	ITT INDUSTRIES INC		02/01/2007	60.2446	4,518.35		4,749.75			
1,300	ITT INDUSTRIES INC		02/02/2007	59.9151	77,889.83		82,329.00			
450	ITT INDUSTRIES INC		02/08/2007	60.2398	27,134.91		28,498.50			
1,825	POSITION TOTAL	ITT		60.0235	109,542.89	63.3300	115,577.25	1.77	1,277.50	1.11
2,200	ROCKWELL AUTOMATION INC		04/05/2007	58.2599	128,171.78		96,206.00			
300	ROCKWELL AUTOMATION INC		05/22/2007	84.3625	19,308.75		13,119.00			
2,500	POSITION TOTAL	ROK		59.9922	147,480.53	43.7300	109,325.00	1.67	2,900.00	2.65
2,100	ROPER INDUSTRIES INC NEW		02/08/2005	30.9887	65,229.57		138,348.00			
300	ROPER INDUSTRIES INC NEW		12/24/2007	62.9145	18,874.35		19,764.00			
2,400	POSITION TOTAL	ROP		34.9777	84,103.92	65.8800	158,112.00	2.42	696.00	0.44
TOTAL INDUSTRIALS					602,833.70		706,224.25	10.82	7,770.25	1.10
TECHNOLOGY										
600	CISCO SYSTEMS INC		08/10/2005	18.6473	11,278.38		13,958.00			
3,100	CISCO SYSTEMS INC		07/21/2006	17.5750	54,482.50		72,106.00			
1,200	CISCO SYSTEMS INC		11/09/2007	28.7926	34,551.12		27,912.00			
4,900	POSITION TOTAL	CSCO		20.4535	100,312.00	23.2600	113,974.00	1.75	0.00	0.00
2,500	CORNING INC		11/06/2007	24.0831	60,207.75		57,625.00			
600	CORNING INC		01/28/2008	23.0900	13,954.00		13,830.00			
3,100	POSITION TOTAL	GLW		23.8909	74,061.75	23.0500	71,455.00	1.09	620.00	0.87
2,850	FISERV INC	FISV	09/11/2007	47.0505	134,093.93	45.3700	129,304.50	1.98	0.00	0.00
725	INTERNATIONAL BUSINESS MACHINES CORP		11/14/2007	104.4650	75,737.13		85,934.25			

Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

NEUBERGER BERMAN

A Lehman Brothers Company

ATTACHMENT D

Base Currency : USD
Account Number : 550-97310 203

Positions in Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total (1)(4)(9)	Price	Mkt Value	% Portfolio	Annual Income	Yield
EQUITIES (Continued)										
250	INTERNATIONAL BUSINESS MACHINES CORP		12/14/2007	105.7658	26,441.45		29,632.50			
975	POSITION TOTAL									
2,600	***LUXOTTICA GROUP SPA SPONSORED ADR	IBM	12/14/2006	104.7985	102,178.58	118.5300	115,566.75	1.77	1,950.00	1.69
400	***LUXOTTICA GROUP SPA SPONSORED ADR		12/24/2007	31.4661	12,586.44		9,332.00			
3,000	POSITION TOTAL	LUX		30.8004	92,401.24	23.3300	69,990.00	1.07	1,686.00	2.41
200	MICROSOFT CORP		05/31/2002	26.5565	5,326.29		5,502.00			
1,000	MICROSOFT CORP		10/23/2002	25.9950	26,070.00		27,510.00			
2,600	MICROSOFT CORP		05/10/2006	23.6786	61,564.36		71,526.00			
700	MICROSOFT CORP		05/24/2006	23.3707	16,359.49		19,257.00			
4,500	POSITION TOTAL	MSFT		24.2734	109,320.14	27.5100	123,795.00	1.90	1,980.00	1.60
2,950	***NOKIA CORPORATION SPONSORED ADR REPSTG 1 SER A FM 5 PAR		04/02/2008	33.8534	98,482.19		69,825.00			
800	***NOKIA CORPORATION SPONSORED ADR REPSTG 1 SER A FM 5 PAR		05/05/2008	29.6036	23,682.88		19,600.00			
550	***NOKIA CORPORATION SPONSORED ADR REPSTG 1 SER A FM 5 PAR		05/23/2008	28.5471	15,700.89		13,475.00			
4,200	POSITION TOTAL	NOK		32.3490	135,865.96	24.5000	102,900.00	1.58	2,524.20	2.45
5,400	ORACLE CORP	ORCL	01/12/2005	13.3206	72,741.24	21.0000	113,400.00	1.74	0.00	0.00
TOTAL TECHNOLOGY					820,974.84		840,385.25	12.87	8,760.20	1.04



Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

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NEUBERGER BERMAN
A Lehman Brothers Company

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Positions in Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total (1)(4)(9) Cost	Price	Mkt. Value	% Portfolio	Annual (8) Income	(10) Yield
EQUITIES (Continued)										
TOTAL EQUITIES					3,708,341.61		3,970,999.25	60.84	45,246.45	1.14
EQUITY MUTUAL FUNDS										
FINANCIAL										
12,165.45	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		10/18/2005	20.5500	250,000.00		232,481.75			
287.723	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2005	21.4200	6,163.02		5,498.39			
139.431	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2005	21.4200	2,986.62		2,684.53			
72.754	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2005	21.4200	1,558.39		1,390.33			
901.87	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2006	24.1800	21,807.21		17,234.74			
316.844	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2006	24.1800	7,661.28		6,054.89			
150.696	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2006	24.1789	3,643.82		2,879.80			
1,854.221	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2007	20.1300	37,325.47		35,434.16			
561.042	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2007	20.1300	11,293.78		10,721.51			
485.814	**NEUBERGER BERMAN INTL FUND INVESTOR CLASS		12/19/2007	20.1300	9,779.43		9,283.91			
16,935.845	POSITION TOTAL	NBISX		20.7973	352,219.02	19.1100	323,844.00	4.96	13,633.36	4.21
TOTAL FINANCIAL					352,219.02		323,644.00	4.96	13,633.36	4.21

Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

ATTACHMENT D

NEUBERGER BERMAN

A Lehman Brothers Company

Base Currency : USD
Account Number : 550-97310 203

Positions In Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total Cost	Price	Mkt Value	% Portfolio	Annual Income	Yield
EQUITY MUTUAL FUNDS (Continued)										
TOTAL EQUITY MUTUAL FUNDS					352,219.02		323,644.00	4.96	13,633.36	4.21
CORPORATE BONDS										
CORPORATE DEBT										
100,000	BERKSHIRE HATHAWAY FIN CORP SR NT 4 20000% 12/15/2010 084664AF8 JD_15	084664AF8	05/02/2008	102.1640	102,164.00	101.2838*	101,283.80	1.55	4,200.00	3.65
100,000	BURLINGTON RESOURCES NTS 6.68000% 02/15/2011 12201PAA4 FA_15	12201PAA4	06/02/2008	105.4340	105,434.00	105.6130	105,613.00	1.62	6,680.00	4.38
100,000	FLEET NATL BK PROVIDENCE R I MEDIUM TERM SUB BK NTS 5.75000% 01/15/2009 33901LAA2 JJ_15	33901LAA2	07/21/2006	100.6110	100,611.00	100.9960	100,996.00	1.55	5,750.00	3.84
100,000	GENERAL ELECTRIC CAPITAL CORP MEDIUM TERM NOTES 6.00000% 06/15/2012 36962GY4 JD_15	36962GY4	02/02/2007	103.1910	103,191.00	103.3386*	103,338.60	1.58	6,000.00	5.06
100,000	MCDONALDS CORP MEDIUM TERM NOTE #078 5.35000% 09/15/2008 58013MDF8 MS_15	58013MDF8	12/22/2006	100.5450	100,545.00	100.3610	100,361.00	1.54	5,350.00	3.48
110,000	MERRILL LYNCH & CO INC MEDIUM TERM NTS 5.77000% 07/25/2011 59018YXZ9 JJ_25	59018YXZ9	02/06/2008	102.8920	113,170.20	99.6880	109,656.80	1.68	6,347.00	5.88
100,000	METLIFE INC 6.12500% 12/01/2011 59156RAC2 JD_01	59156RAC2	02/12/2008	106.4200	106,420.00	104.1220	104,122.00	1.60	6,125.00	4.80

Client Statement

For the period 05/31/2008 to 06/30/2008

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NEUBERGER BERMAN
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Positions in Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total Cost	Price	Mkt Value	% Portfolio	Annual Income	Yield
CORPORATE BONDS (Continued)										
100,000	PROCTOR & GAMBLE GLOBAL NT 6.8750% 09/15/2009 742718BM0 MS_15	742718BM0	08/16/2006	104.5910	104,591.00	104.2062*	104,206.20	1.60	6,875.00	3.27
100,000	REPUBLIC NEW YORK CORP SUB NTS 7.00000% 03/22/2011 760719BC7 MS_22	760719BC7	01/22/2007	106.0160	106,016.00	101.1850	101,185.00	1.55	7,000.00	6.51
105,000	TARGET CORP 7.50000% 08/15/2010 87612EAB2 FA_15	87612EAB2	02/26/2008	108.7360	114,172.80	107.0710	112,424.55	1.72	7,875.00	3.98
100,000	TOYOTA MTR CR CORP MEDIUM TERM NOTES 4.00000% 06/25/2010 89233PZ33 CALLABLE @ 100.00 06/25/09 JD_25	89233PZ33	06/13/2008	100.0000	100,000.00	99.9420	99,942.00	1.53	4,000.00	4.03
TOTAL CORPORATE DEBT					1,156,315.00		1,143,128.95	17.51	66,202.00	4.45
TOTAL CORPORATE BONDS					1,156,315.00		1,143,128.95	17.51	66,202.00	4.45
US GOVERNMENT & AGENCY										
US AGENCIES										
200,000	FEDERAL FARM CR BKS CONS SYSTE CONS BD 5.1%12 5.10000% 08/22/2012 31331S3N1 CALLABLE @ 100.00 08/22/08 FA_22	31331S3N1	04/24/2008	100.6510	201,301.80	100.2618	200,523.72	3.07	10,200.00	3.19

Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

ATTACHMENT D

NEUBERGER BERMAN

A Lehman Brothers Company

Base Currency : USD
Account Number : 550-97310 203

Positions In Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost	Total (1)(4)(8)	Price	Mkt Value	% Portfolio	(12)	Annual Income	(6)	(10) Yield
US GOVERNMENT & AGENCY (Continued)												
200,000	FEDERAL HOME LOAN BANK 5.00000% 11/14/2012 3133XMX55 CALLABLE @ 100.00 11/14/08 MN_14	3133XMX55	05/27/2008	100.9000	201,800.00	100.5987	201,197.46	3.08		10,000.00		3.34
100,000	FEDERAL HOME LOAN BANK 3.05000% 06/18/2009 3133XRX25 CALLABLE @ 100.00 12/18/08	3133XRX25	06/10/2008	100.0000	100,000.00	100.0199	100,019.86	1.53		3,050.00		3.00
100,000	FEDERAL NATIONAL MTG ASSN RMD 5.25 03/05/2014 5.25000% 03/05/2014 31359MSJ3 CALLABLE @ 100.00 03/05/10 MS_05	31359MSJ3	03/11/2008	103.4688	103,468.75	102.2760	102,276.03	1.57		5,250.00		3.83
TOTAL US AGENCIES					606,570.65		604,017.07	9.25		28,500.00		3.32
US TREASURY ISSUES												
100,000	UNITED STATES TREASURY NOTES 2.62500% 05/31/2010 91282BJA9 MN_31	91282BJA9	06/10/2008	99.6016	99,601.56	100.0700	100,069.98	1.53		2,625.00		2.59
100,000	UNITED STATES TREASURY BILLS 0.00000% 12/11/2008 912795J28	912795J28	06/10/2008	98.9409	98,940.88	99.0469	99,046.90	1.52		2,092.16		2.15
35,000	UNITED STATES TREASURY BILLS 0.00000% 12/18/2008 912795J36	912795J36	06/19/2008	98.8863	34,610.22	99.0083	34,652.92	0.53		730.70		2.15
TOTAL US TREASURY ISSUES					233,152.64		233,769.80	3.58		5,447.86		2.34

MORTGAGE BACKED SECURITIES

100,000	FNMA GTD PASS THRU POOL #667066 5.50000% 02/01/2036 31409CJ2 AMORTIZED AMOUNT \$ 70,353.0000	31409CJ2	12/07/2006	99.7344	70,166.44	98.4844	69,286.71	1.06		3,869.42		5.71
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Client Statement

For the period 05/31/2008 to 06/30/2008

YOUNG AUDIENCES INC

ATTACHMENT D

NEUBERGER BERMAN
A Lehman Brothers Company

Base Currency : USD
Account Number : 550-97310 203

Positions In Your Account

Quantity	Description	Ticker/Cusip	Purchase Date	Average Unit Cost ⁽¹⁾⁽⁴⁾⁽⁹⁾	Total Cost ⁽¹⁾⁽⁴⁾⁽⁹⁾	Price	Mkt. Value	% Portfolio ⁽¹²⁾	Annual Income ⁽⁸⁾	Yield ⁽¹⁰⁾
US GOVERNMENT & AGENCY (Continued)										
TOTAL MORTGAGE BACKED SECURITIES					70,166.44		69,286.71	1.06	3,869.42	5.71
TOTAL US GOVERNMENT & AGENCY					909,899.73		907,073.58	13.90	37,817.28	3.25
GRAND TOTAL ⁽⁵⁾					6,307,405.46		6,527,485.88	100.00	166,314.46	2.55