

**Women's Resource Agency, Inc.**

**Financial Statements with  
Independent Accountants' Review Report**

**June 30, 2016 with  
Comparative Totals for June 30, 2015**

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BRADSHAW & ASSOCIATES, PLLC

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors  
Women's Resource Agency, Inc.  
Colorado Springs, CO

We have reviewed the accompanying financial statements of Women's Resource Agency, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016 and 2015, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### **Accountants' Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Bradshaw & Associates, PLLC*

Colorado Springs, CO  
December 21, 2016

**WOMEN'S RESOURCE AGENCY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2016**  
**With Comparative Totals for 2015**

**ASSETS**

	<u>Review 2016</u>	<u>Review 2015</u>
<b>Current Assets</b>		
Cash	\$ 67,253	\$ 117,767
Grants and Pledges Receivable	-	8,644
Prepaid Expenses	2,195	1,701
Total Current Assets	<u>69,448</u>	<u>128,112</u>
<b>Property and Equipment, Net</b>	-	-
<b>Other Assets</b>	<u>-</u>	<u>150</u>
<b>Total Assets</b>	<u><u>\$ 69,448</u></u>	<u><u>\$ 128,262</u></u>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>		
Accounts Payable	\$ 1,063	\$ -
Accrued Liabilities	8,186	6,780
Total Liabilities	<u>9,249</u>	<u>6,780</u>
<b>Net Assets</b>		
Unrestricted	60,198	121,482
Temporarily Restricted	-	-
Total Net Assets	<u>60,198</u>	<u>121,482</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 69,448</u></u>	<u><u>\$ 128,262</u></u>

See accompanying notes and independent accountants' review report.

**WOMEN'S RESOURCE AGENCY, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2016**  
**With Comparative Totals for 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Review 2016</u>	<u>Review 2015</u>
<b>Public Support and Revenue</b>				
Direct Public Support	\$ 109,377	\$ -	\$ 109,377	\$ 179,733
Indirect Public Support	17,652		17,652	24,024
Government Grants	-		-	-
Special Events, "net"	10,747		10,747	36,497
Program Income	6,131		6,131	7,706
Other Revenues and Support	433		433	211
Investment Income	-		-	8
In-Kind	95,760		95,760	88,492
Gain on Sale of Assets	-		-	80
	<u>240,100</u>	<u>-</u>	<u>240,100</u>	<u>336,751</u>
Net assets released by satisfaction of program restrictions	-	-	-	-
Total public support and revenue	<u>240,100</u>	<u>-</u>	<u>240,100</u>	<u>336,751</u>
<b>Expense</b>				
Program Services	220,504	-	220,504	198,711
Management and General	38,304		38,304	48,597
Fundraising	\$ 42,575		\$ 42,575	\$ 12,841
Total expense	<u>301,383</u>	<u>-</u>	<u>301,383</u>	<u>260,149</u>
<b>Change in Net Assets</b>	(61,283)	-	(61,284)	76,602
<b>Beginning Net Assets</b>	<u>121,482</u>	<u>-</u>	<u>121,482</u>	<u>44,880</u>
<b>Ending Net Assets</b>	<u>\$ 60,198</u>	<u>\$ -</u>	<u>\$ 60,198</u>	<u>\$ 121,482</u>

See accompanying notes and independent accountants' review report.

**WOMEN'S RESOURCE AGENCY, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2016**  
**With Comparative Totals for 2015**

	<b>Review 2016</b>	<b>Review 2015</b>
<b>Cash flows from operating activities</b>		
Cash received from public support and operations	\$ 240,100	\$ 333,340
Cash paid to suppliers and employees	(290,614)	(262,639)
Gain on sale of assets	-	80
Interest received	-	8
Net cash (used) by operations	(50,514)	70,789
<b>Change in cash</b>	(50,514)	70,789
<b>Beginning cash</b>	117,767	46,978
<b>Ending cash</b>	\$ 67,253	\$ 117,767
<b>Reconciliation of change in net assets to net cash used by operations</b>		
Change in net assets	(61,284)	76,602
Adjustments to arrive at net cash from operating activities		
Depreciation and amortization	-	500
Changes in assets and liabilities		
Grants and pledges receivable	8,644	(3,323)
Prepaid expense	(494)	519
Deposits	150	-
Accounts payable	1,063	(2,773)
Accrued liabilities	1,406	(736)
Net cash (used) by operations	\$ (50,514)	\$ 70,789

See accompanying notes and independent accountants' review report.

**WOMEN'S RESOURCE AGENCY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSE**  
**YEAR ENDED JUNE 30, 2016**  
**With Comparative Totals for 2015**

	Program	Support		Total	
		Management and General	Fundraising	Review 2016	Review 2015
Salaries	\$ 95,456	\$ 8,701	\$ 8,487	\$ 112,644	\$ 110,134
Payroll Taxes	10,577	964	940	12,481	12,557
Employee Benefits					-
	<u>106,033</u>	<u>9,665</u>	<u>9,427</u>	<u>125,125</u>	<u>122,691</u>
Accounting and Audit	\$ -	\$ 9,150	\$ -	\$ 9,150	\$ 5,857
Bad Debt Expense	-	-	7,016	7,016	-
Depreciation	-	-	-	-	500
Dues and Memberships	-	674	175	849	629
Equipment Maintenance	7,282	-	-	7,282	9,011
In-Kind Expenses	41,761	-	-	41,761	34,421
Insurance	800	1,624	-	2,424	2,643
Interest and Bank Fees	11	1,757	-	1,768	2,928
Marketing and Promotion	38	621	8,304	8,963	5,704
Professional Services	1,677	-	16,571	18,248	-
Occupancy and Storage	59,750	5,400	-	65,150	63,600
Postage	-	288	-	288	1,163
Staff Training and Travel	69	1,387	160	1,616	1,369
Supplies	2,820	4,821	922	8,563	4,844
Telephone	263	2,917	-	3,180	4,789
	<u>114,471</u>	<u>28,639</u>	<u>33,148</u>	<u>176,258</u>	<u>137,458</u>
<b>Total 2016</b>	<u>\$ 220,504</u>	<u>\$ 38,304</u>	<u>\$ 42,575</u>	<u>\$ 301,383</u>	
<b>Total 2015</b>	<u>\$ 198,711</u>	<u>\$ 48,598</u>	<u>\$ 12,840</u>		<u>\$ 260,149</u>

See accompanying notes and independent accountants' review report.

**WOMEN'S RESOURCE AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of activities and organization** – Women's Resource Agency, Inc. (Agency) provides personal and career development services for women, and life-skills training for at-risk girls. Services are provided to community members regardless of their economic resources.

**Income tax status** – The Agency is exempt, under Section 501(c)(3) of the Internal Revenue Code, from tax on income derived from donations and income generated by activities carried on in furtherance of its exempt purpose. The organization is qualified to receive tax deductible contributions.

**Accounting and basis of presentation** – Financial position and activities are reported according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. These net asset classifications are described as follows:

*Unrestricted net assets* – not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes or locations by action of the Board of Directors.

*Temporarily restricted net assets* – subject to donor-imposed stipulations that may be fulfilled by actions meeting the stipulations or become unrestricted at the date specified by donor.

*Permanently restricted net assets* – subject to donor imposed stipulations that they be retained and invested permanently.

At June 30, 2016, the Agency had no temporarily or permanently restricted net assets.

**Estimates** – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the reported amount of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates. The significant accounting estimates used in the preparation of the Agency's financial statements relate to the functional allocation of certain expenses classified in the management and general group of accounts to the various program categories that were deemed to have directly benefited from those expenses and fair market valuation of in-kind goods and services.

**Definition of Cash** – For the purpose of these statements, cash is defined as all cash on hand, demand deposits and money market accounts.

**Furniture and equipment** – Purchase of property assets having a cost of \$1,500 or more and an estimated useful life of more than one year are capitalized at cost. Donated assets are capitalized at the estimated fair market value at time of receipt. Certain donated services are capitalized as improvements when those services enhance the value of assets.

Depreciation is computed using the Straight-line method over the estimated useful lives of the assets. It is not the Agency's policy to imply time restrictions expiring over the useful life of donated assets. In the absence of donor-imposed restrictions on the use of the asset, gifts of long-lived assets are reported as unrestricted support.



**WOMEN'S RESOURCE AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Support and Revenue -**

Revenue and support are recorded on the accrual basis. Contributions are reported as unrestricted support unless they are considered donor restricted. Donor imposed restrictions on the use of contributions are reported as either temporarily or permanently restricted net assets. When a donor restriction expires, that is, when a stipulated time restriction 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 restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

**Grants and pledges receivable** – Unconditional promises to give (pledges) are recorded as receivables and revenues and the Agency distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. All promises to give are expected to be collected within one year. Management closely monitors outstanding accounts receivable and feels amounts are fully collectable and an allowance for doubtful accounts is not necessary.

**Donations In Kind and Contributed Services –**

Material donations in-kind used by Woman's Resource Agency, Inc. and donated goods distributed are recorded at their estimated fair value as income and expense at the time the items are placed into service or distributed.

**NOTE 1 – DONATED AND CONTRIBUTED SERVICES, GOODS, AND FACILITIES**

Operations depend on the efforts of a large group of organized and closely supervised volunteers. The services of these volunteers do not meet the requirements for recognition, and are not reflected in the financial statements. The value of volunteer hours for fiscal year 2016, using a rate of \$23.56 per hour, is estimated to be approximately \$353,382.

**NOTE 2 – PROPERTY AND EQUIPMENT**

Property and equipment consists of the following:

Furniture and other equipment	\$ 45,712
Software	<u>1,188</u>
	46,900
Less accumulated depreciation	<u>(46,900)</u>
	<u>\$ 0</u>

Depreciation and amortization expense for the year ended June 30, 2016, was \$0 as all assets are fully depreciated at this point.

**WOMEN'S RESOURCE AGENCY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 – OPERATING LEASES**

The Agency leases office space under an annual operating lease agreement. The Agency is paying less than fair market value for the annual operating lease and has recognized an in-kind contribution for the difference between the amount paid and the estimated fair market value. The Agency paid \$11,150 in rent expense for the year ending June 30, 2016, for a space with an estimated fair market value of \$65,150. On July 1, 2016, the annual operating lease and in-kind contribution was renewed by the Agency.

**NOTE 5 – CREDIT AND CONCENTRATION RISKS**

The Agency banks at major financial institutions insurable under the FDIC for up to \$250,000 per depositor. As of June 30, 2016, the Agency cash balances did not exceed the FDIC limit.

The Agency's operations are currently funded by a concentrated source of donors. During the fiscal year ending 2016, approximately 57% of the contributions were comprised of eight donors. The Agency has procured annual contributions from various corporations, individuals and other partnership agencies. The Agency annually works on new corporate relationships, which it depends on for operating support.

**NOTE 6 – INFORMATION RETURNS**

The Agency's information returns are subject to examination by taxing authorities for a period of three years from the date including any extensions. As of June 30, 2016, the information returns for three prior years are considered open for Internal Revenue Service examination.

**NOTE 7 – TEMPORARILY RESTRICTED NET ASSETS**

As of June 30, 2016, temporarily restricted net assets were at zero as all restrictions had been released.

**NOTE 8 – FUNCTIONAL ALLOCATION OF EXPENSES**

Costs are summarized on a functional basis with certain costs allocated between program, management, general, and fundraising on the basis of management's estimate.

**NOTE 9 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 21, 2016, the date on which the financial statements were available to be issued.