

**WOMEN'S CARING PROGRAM**

(a Michigan not-for-profit corporation)

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**Financial Statements**

Years Ended December 31, 2008 and 2007

**WOLINSKI & COMPANY, C.P.A., P.C.**

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**CERTIFIED PUBLIC ACCOUNTANTS**

# WOMEN'S CARING PROGRAM

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# **WOLINSKI & COMPANY, C.P.A., P.C.**

## **CERTIFIED PUBLIC ACCOUNTANTS**

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### **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Women's Caring Program:

We have audited the accompanying statements of financial position of Women's Caring Program (the "Organization"), a Michigan not-for-profit corporation, as of December 31, 2008 and 2007, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Women's Caring Program as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Wolinski & Company, C.P.A., P.C.*

January 26, 2009

# WOMEN'S CARING PROGRAM

Statements of Financial Position  
As of December 31, 2008 and 2007

## ASSETS

	<u>2008</u>	<u>2007</u>
Current assets:		
Cash and cash equivalents	\$ 207,191	\$ 182,503
Pledge receivable	14,000	-
Total current assets	<u>221,191</u>	<u>182,503</u>
Total assets	<u>\$ 221,191</u>	<u>\$ 182,503</u>

## LIABILITIES AND NET ASSETS

Current liabilities:		
Grant payable	\$ 161,175	\$ 160,250
Total current liabilities	161,175	160,250
Net assets - unrestricted	<u>60,016</u>	<u>22,253</u>
Total liabilities and net assets	<u>\$ 221,191</u>	<u>\$ 182,503</u>

*See accompanying notes to financial statements.*

**WOMEN'S CARING PROGRAM**  
 Statements of Activities  
 For The Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<b>Support and revenue</b>		
Support received directly:		
Corporate contributions	\$ 169,758	\$ 162,160
Individual donations	59,321	66,335
In kind donations	41,025	43,825
Silent auction	<u>29,261</u>	<u>24,845</u>
Total support	299,365	297,165
Other revenue:		
Investment income	<u>3,085</u>	<u>4,398</u>
Total other revenue	<u>3,085</u>	<u>4,398</u>
Total support and revenue	<u>302,450</u>	<u>301,563</u>
<b>Functional expenses:</b>		
Program services	150,000	183,000
Management and general	15,306	7,352
Management and general - In kind	9,500	15,500
Fundraising	58,356	52,772
Fundraising - In kind	<u>31,525</u>	<u>28,325</u>
Total expenses	<u>264,687</u>	<u>286,949</u>
<b>Change in net assets</b>	37,763	14,614
<b>Net assets, as of beginning of year</b>	<u>22,253</u>	<u>7,639</u>
<b>Net assets, as of end of year</b>	<u>\$ 60,016</u>	<u>\$ 22,253</u>

*See accompanying notes to financial statements*

## WOMEN'S CARING PROGRAM

Statement of Functional Expenses  
For The Year Ended December 31, 2008

	Program Services	Management and General	Fundraising	Totals
<b><u>OPERATING EXPENSE</u></b>				
Grant - Child Care Commitment	\$ 150,000	\$ -	\$ -	\$ 150,000
Accounting	-	10,925	-	10,925
Annual reports	-	30	-	30
Event catering	-	-	11,720	11,720
Liability expense	-	1,244	666	1,910
Table, chair and tent rental	-	-	7,381	7,381
Event parking	-	-	313	313
Licenses and permits	-	550	-	550
Postage	-	-	3,363	3,363
Printing and materials	-	-	12,732	12,732
Photography	-	-	325	325
Party supplies	-	-	5,997	5,997
Telephone	-	-	1,968	1,968
Credit card processing	-	-	1,080	1,080
Bank fees	-	506	-	506
Web site expense	-	1,133	-	1,133
Miscellaneous expense	-	918	574	1,492
Donated food	-	-	15,300	15,300
Professional fees	-	-	12,237	12,237
Donated professional fees	-	9,500	16,225	25,725
<b>TOTAL EXPENSES</b>	<b>\$ 150,000</b>	<b>\$ 24,806</b>	<b>\$ 89,881</b>	<b>\$ 264,687</b>

*See accompanying notes to financial statements*

**WOMEN'S CARING PROGRAM**  
Statement of Functional Expenses  
For The Year Ended December 31, 2007

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Totals</u>
<b><u>OPERATING EXPENSE</u></b>				
Grant - Child Care Commitment	\$ 183,000	\$ -	\$ -	\$ 183,000
Accounting	-	5,020	-	5,020
Annual reports	-	20	-	20
Event catering	-	-	12,465	12,465
Liability expense	-	1,244	536	1,780
Table, chair and tent rental	-	-	7,972	7,972
Event parking	-	-	596	596
Postage	-	-	3,624	3,624
Printing and materials	-	-	13,737	13,737
Photography	-	-	475	475
Party supplies	-	-	1,770	1,770
Telephone	-	-	1,735	1,735
Credit card machine	-	-	183	183
Credit card processing	-	-	987	987
Bank fees	-	474	-	474
Web site expense	-	100	-	100
Miscellaneous expense	-	179	694	873
Donated food	-	-	14,750	14,750
Professional fees	-	315	7,998	8,313
Donated professional fees	-	15,500	13,575	29,075
<b>TOTAL EXPENSES</b>	<b><u>\$ 183,000</u></b>	<b><u>\$ 22,852</u></b>	<b><u>\$ 81,097</u></b>	<b><u>\$ 286,949</u></b>

*See accompanying notes to financial statements*

**WOMEN'S CARING PROGRAM**  
**Statements of Cash Flows**  
For The Years Ended December 31, 2008 and 2007

	<b>2008</b>	<b>2007</b>
Operating activities:		
Change in net assets	\$ 37,763	\$ 14,614
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Changes in operating assets and liabilities:		
Pledge receivable	(14,000)	-
Grant payable	925	26,000
Accounts payable	-	(3,519)
Net cash provided by (used in) operating activities	24,688	37,095
Change in cash and cash equivalents	24,688	37,095
Cash and cash equivalents at beginning of year	182,503	145,408
Cash and cash equivalents at end of year	\$ 207,191	\$ 182,503

*See accompanying notes to financial statements*

**WOMEN'S CARING PROGRAM**  
Notes to the Financial Statements  
Years Ended December 31, 2008 and 2007

**NOTE 1: NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of the Organization**

Women's Caring Program (The "Organization") was organized to encourage charitable giving by women to increase economic opportunity for parents and children in low-income families by subsidizing and promoting quality child care. The Organization hosts an annual Twilight Gathering and receives donations which are, in turn, awarded through Michigan Community Coordinated Childcare Association ("4C") to families meeting certain income criteria. The organization derives its funding from both corporate and individual donations.

**Significant Accounting Policies**

Tax-Exempt Status –The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") and comparable state and local taxes. Contributions to the Organization are tax deductible by the donor within the limit prescribed by the Code. The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code.

Basis of Accounting – The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

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

Unrestricted Net Assets – The amount of net assets, which are available for general operations and are not subject to any donor-imposed restrictions. Revenues derived from program services provided, unrestricted contributions, investment income are available for general operations, and all operating expenses are reported in this category.

Temporarily Restricted Net Assets – The amount of net assets, which are limited to uses specified by donor-imposed restrictions. When donor restrictions expire or the nature and purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. As of December 31, 2008 and 2007, the Organization had no temporarily restricted net assets.

Permanently Restricted Net Assets – The amount of net assets, which result from donor gift and bequests that create permanent endowment funds. As of December 31, 2008 and 2007, the Association had no permanently restricted net assets.

**WOMEN'S CARING PROGRAM**  
Notes to the Financial Statements  
Years Ended December 31, 2008 and 2007

**NOTE 1: NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**Significant Accounting Policies – (Continued)**

Revenue Recognition – The Organization receives both donations from corporate and individual donors and conducts one annual fundraiser. The donations received and the funds raised are all recognized as income in the year received. Any pledges made during the annual fundraiser are recognized as pledges receivable at year-end. As of December 31, 2008 and 2007 the Organization had pledges receivable of \$14,000 and \$0, respectively.

Cash and Cash Equivalents – Cash and cash equivalents consist of bank and money market fund deposits which are readily convertible into cash.

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net assets classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Use of Estimates – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

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

**NOTE 2: PROGRAM SERVICE SUPPORT**

Program service support revenue consists of contributions and charges for services related to specific Organization program services. Charges for services are recognized when due and program services contributions are recognized in the same manner as other contributions received by the Organization.

**WOMEN'S CARING PROGRAM**  
Notes to the Financial Statements  
Years Ended December 31, 2008 and 2007

**NOTE 3: DONATED SERVICES AND MATERIALS**

The Organization received a significant amount of donated services and goods from unpaid volunteers. The fair value of these services has been recognized in the statement of activities because the criteria for recognition have been satisfied. These services were performed by uniquely qualified individuals, without whose donation, these services would have been purchased. The amount of in-kind program revenue and expense recognized for the years ended December 31, 2008 and 2007 amounted to \$ 25,725 and \$29,075, respectively.

The Organization also received donated goods, which were assigned a value at the time of receipt. The assigned value of these donated goods during 2008 and 2007 amounted to \$ 15,300 and \$14,750, respectively.

**NOTE 4: GRANT PAYABLE**

The Organization has entered into an agreement with 4C to help provide statewide child care referrals to parents and training to child care providers through its 15 regional offices. The Organization has agreed to pay 4C, \$150,000 and \$183,000 annually in quarterly installments for 2008 and 2007, respectively. As of December 31, 2008 and 2007, \$ 161,000 and \$160,250 of the Grant to 4C remains unpaid, respectively.

**NOTE 5: CONTINGENT LIABILITIES**

In the normal course of operations, there could be certain outstanding contingent liabilities such as lawsuits, etc., which, the management believes, are incidental to the business, and are either immaterial or the insurance coverage is adequate to cover any potential losses. Therefore, these have not been reflected in the accompanying financial statements.

**NOTE 6: CONCENTRATION OF CREDIT RISK**

Financial instruments, which potentially subject the Organization to concentration of credit risk, consist principally of cash and a money market fund. The money market fund is not covered by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2008 and 2007, the Organization had uninsured balances in the money market fund of \$188,533 and \$142,948, respectively.