

WOMEN'S CARING PROGRAM

(a Michigan not-for-profit corporation)

Financial Statements

Years Ended December 31, 2009 and 2008

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

CERTIFIED PUBLIC ACCOUNTANTS

WOMEN'S CARING PROGRAM

TABLE OF CONTENTS

| | <u>Page(s)</u> |
|---|----------------|
| INDEPENDENT AUDITOR'S REPORT | 1 |
| FINANCIAL STATEMENTS: | |
| Statements of Financial Position | 2 |
| Statements of Activities | 3 |
| Statements of Functional Expenses | 4 - 5 |
| Statements of Cash Flows | 6 |
| Notes to Financial Statements | 7 - 9 |

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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, 2009 and 2008, 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, 2009 and 2008, 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, 2010

WOMEN'S CARING PROGRAM

Statements of Financial Position
As of December 31, 2009 and 2008

ASSETS

| | <u>2009</u> | <u>2008</u> |
|---------------------------|-------------------|-------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ 147,409 | \$ 207,191 |
| Pledge receivable | - | 14,000 |
| Contribution receivable | 1,000 | - |
| Prepaid expense | <u>2,100</u> | <u>-</u> |
| Total current assets | <u>150,509</u> | <u>221,191</u> |
| Total assets | <u>\$ 150,509</u> | <u>\$ 221,191</u> |

LIABILITIES AND NET ASSETS

| | | |
|----------------------------------|-------------------|-------------------|
| Current liabilities: | | |
| Grant payable | <u>\$ 84,731</u> | <u>\$ 161,175</u> |
| Total current liabilities | 84,731 | 161,175 |
| Net assets - unrestricted | <u>65,778</u> | <u>60,016</u> |
| Total liabilities and net assets | <u>\$ 150,509</u> | <u>\$ 221,191</u> |

See accompanying notes to financial statements.

WOMEN'S CARING PROGRAM

Statements of Activities

For The Years Ended December 31, 2009 and 2008

| | <u>2009</u> | <u>2008</u> |
|--|------------------|------------------|
| Support and revenue | | |
| Support received directly: | | |
| Corporate contributions | \$ 100,924 | \$ 169,758 |
| Individual donations | 68,315 | 59,321 |
| In kind donations | 54,877 | 46,570 |
| Silent auction | 24,295 | 29,261 |
| Other support | <u>4,142</u> | <u>-</u> |
| Total support | 252,553 | 304,910 |
| Other revenue: | | |
| Investment income | <u>274</u> | <u>3,085</u> |
| Total other revenue | <u>274</u> | <u>3,085</u> |
| Total support and revenue | <u>252,827</u> | <u>307,995</u> |
| Functional expenses: | | |
| Program services | 67,250 | 150,000 |
| Management and general | 29,696 | 15,306 |
| Management and general - In kind | 15,403 | 15,045 |
| Fundraising | 95,242 | 58,356 |
| Fundraising - In kind | <u>39,474</u> | <u>31,525</u> |
| Total expenses | <u>247,065</u> | <u>270,232</u> |
| Change in net assets | 5,762 | 37,763 |
| Net assets, as of beginning of year | <u>60,016</u> | <u>22,253</u> |
| Net assets, as of end of year | <u>\$ 65,778</u> | <u>\$ 60,016</u> |

See accompanying notes to financial statements

WOMEN'S CARING PROGRAM
Statement of Functional Expenses
For The Year Ended December 31, 2009

| | <u>Program Services</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Totals</u> |
|---------------------------------|-----------------------------|-----------------------------------|--------------------|-------------------|
| <u>OPERATING EXPENSE</u> | | | | |
| Grant - Child Care Commitment | \$ 64,000 | \$ - | \$ - | \$ 64,000 |
| Accounting | - | 15,675 | - | 15,675 |
| Annual reports | - | 20 | - | 20 |
| Event catering | - | - | 16,437 | 16,437 |
| Liability expense | - | 1,244 | 50 | 1,294 |
| Table, chair and tent rental | - | - | 8,568 | 8,568 |
| Event parking | - | - | 531 | 531 |
| Postage | - | - | 4,508 | 4,508 |
| Printing and materials | - | 375 | 13,050 | 13,425 |
| Photography | - | - | 622 | 622 |
| Party supplies | - | - | 6,046 | 6,046 |
| Telephone | - | - | 2,965 | 2,965 |
| Credit card processing | - | - | 1,375 | 1,375 |
| Bank fees | - | 512 | - | 512 |
| Web site expense | - | 11,688 | 11,689 | 23,377 |
| Miscellaneous expense | - | 182 | 604 | 786 |
| Donated food | - | - | 19,989 | 19,989 |
| Professional fees | 3,250 | - | 28,797 | 32,047 |
| Donated professional fees | - | 15,403 | 19,485 | 34,888 |
| TOTAL EXPENSES | <u>\$ 67,250</u> | <u>\$ 45,099</u> | <u>\$ 134,716</u> | <u>\$ 247,065</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 |
|---------------------------------|---------------------|---------------------------|------------------|-------------------|
| <u>OPERATING EXPENSE</u> | | | | |
| 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 | - | 15,045 | 16,225 | 31,270 |
| TOTAL EXPENSES | \$ 150,000 | \$ 30,351 | \$ 89,881 | \$ 270,232 |

See accompanying notes to financial statements

WOMEN'S CARING PROGRAM
 Statements of Cash Flows
 For The Years Ended December 31, 2009 and 2008

| | 2009 | 2008 |
|---|-------------|-------------|
| Operating activities: | | |
| Change in net assets | \$ 5,762 | \$ 37,763 |
| 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 | (14,000) |
| Contribution receivable | (1,000) | |
| Prepaid expenses | (2,100) | - |
| Grant payable | (76,444) | 925 |
| Net cash provided by (used in) operating activities | (59,782) | 24,688 |
| | | |
| Change in cash and cash equivalents | (59,782) | 24,688 |
| Cash and cash equivalents at beginning of year | 207,191 | 182,503 |
| Cash and cash equivalents at end of year | \$ 147,409 | \$ 207,191 |

See accompanying notes to financial statements

WOMEN'S CARING PROGRAM
Notes to Financial Statements
Years Ended December 31, 2009 and 2008

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 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, 2009 and 2008, 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, 2009 and 2008, the Association had no permanently restricted net assets.

WOMEN'S CARING PROGRAM
Notes to Financial Statements
Years Ended December 31, 2009 and 2008

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, 2009 and 2008 the Organization had pledges receivable of \$0 and \$14,000, 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.

Reclassification – For comparability, certain 2008 amounts have been reclassified to conform with classifications adopted in 2009. The reclassifications have no effect on the reported amounts of net assets or changes in net assets.

Subsequent Events – Subsequent events have been evaluated through January 22, 2010, the date the financial statements were available to be issued.

WOMEN'S CARING PROGRAM
Notes to Financial Statements
Years Ended December 31, 2009 and 2008

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.

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, 2009 and 2008 amounted to \$34,888 and \$31,270, 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 2009 and 2008 amounted to \$19,989 and \$15,300, respectively.

NOTE 4: GRANT PAYABLE

The Organization established a grant payable in the amount of \$75,000 to be awarded to families meeting certain income criteria. As of December 31, 2009 the amount outstanding is \$75,000. As of September 30, 2009, the Organization terminated the agreement with 4C. The grant payable to 4C as of December 31, 2009 and 2008 is \$ 0 and \$ 161,000, respectively.

NOTE 5: 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, 2009 and 2008, the Organization had uninsured balances in the money market fund of \$133,807 and \$188,533, respectively.

NOTE 6: 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.