

**WOMEN'S CARING PROGRAM**

(a Michigan not-for-profit corporation)

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**Financial Statements**

Years Ended December 31, 2010 and 2009

**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**

Board of Directors  
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, 2010 and 2009, 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, 2010 and 2009, 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.*

February 22, 2011

## WOMEN'S CARING PROGRAM

Statements of Financial Position  
As of December 31, 2010 and 2009

### ASSETS

	<u>2010</u>	<u>2009</u>
Current assets:		
Cash and cash equivalents	\$ 167,552	\$ 147,409
Contribution receivable	23,500	1,000
Prepaid expense	<u>-</u>	<u>2,100</u>
Total current assets	<u>191,052</u>	<u>150,509</u>
Equipment, net	<u>1,201</u>	<u>-</u>
Total assets	<u>\$ 192,253</u>	<u>\$ 150,509</u>

### LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 16,454	\$ -
Grants payable	125,188	84,731
Accrued expenses	<u>1,830</u>	<u>-</u>
Total current liabilities	143,472	84,731
Net assets:		
Unrestricted	(3,419)	65,778
Temporarily restricted	<u>52,200</u>	<u>-</u>
Total net assets	<u>48,781</u>	<u>65,778</u>
Total liabilities and net assets	<u>\$ 192,253</u>	<u>\$ 150,509</u>

*See accompanying notes to financial statements.*

**WOMEN'S CARING PROGRAM**  
 Statements of Activities  
 For the Years Ended December 31, 2010 and 2009

	<u>2010</u>			<u>2009</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and revenue</b>						
Support received directly:						
Corporate contributions	\$ 56,126	\$ 52,200	\$ 108,326	\$ 100,924	\$ -	\$ 100,924
Individual donations	58,339	-	58,339	68,315	-	68,315
In kind donations	57,232	-	57,232	54,877	-	54,877
Silent auction	-	-	-	24,295	-	24,295
Executive compensation reimbursement	50,000	-	50,000	-	-	-
Other Support	-	-	-	4,142	-	4,142
Total support	<u>221,697</u>	<u>52,200</u>	<u>273,897</u>	<u>252,553</u>	<u>-</u>	<u>252,553</u>
Other Revenue:						
Management fee	1,170	-	1,170	-	-	-
Investment income	8	-	8	274	-	274
Loss on contributed securities	(304)	-	(304)	-	-	-
Total other revenue	<u>874</u>	<u>-</u>	<u>874</u>	<u>274</u>	<u>-</u>	<u>274</u>
Net assets released from restrictions	-	-	-	-	-	-
Total support and revenue	<u>222,571</u>	<u>52,200</u>	<u>274,771</u>	<u>252,827</u>	<u>-</u>	<u>252,827</u>
Expenses						
Program services	100,062	-	100,062	67,250	-	67,250
Management and general	55,713	-	55,713	29,696	-	29,696
Management and general - In kind	50,932	-	50,932	15,403	-	15,403
Fundraising	78,761	-	78,761	95,242	-	95,242
Fundraising - In kind	6,300	-	6,300	39,474	-	39,474
Total expenses	<u>291,768</u>	<u>-</u>	<u>291,768</u>	<u>247,065</u>	<u>-</u>	<u>247,065</u>
Change in net assets	(69,197)	52,200	(16,997)	5,762	-	5,762
Net assets, beginning of period	<u>65,778</u>	<u>-</u>	<u>65,778</u>	<u>60,016</u>	<u>-</u>	<u>60,016</u>
Net assets, end of period	<u>\$ (3,419)</u>	<u>\$ 52,200</u>	<u>\$ 48,781</u>	<u>\$ 65,778</u>	<u>\$ -</u>	<u>\$ 65,778</u>

See accompanying notes to financial statements

**WOMEN'S CARING PROGRAM**  
Statement of Functional Expenses  
For The Year Ended December 31, 2010

	Program Services	Management and General	Fundraising	Totals
<b><u>OPERATING EXPENSE</u></b>				
Grant - Child Care Commitment	\$ 67,000	\$ -	\$ -	\$ 67,000
Salaries and benefits	14,177	14,177	28,353	56,707
Accounting	9,000	14,343	-	23,343
Annual reports	-	20	-	20
Liability expense	-	-	208	208
Postage	-	-	4,972	4,972
Printing and materials	-	252	11,310	11,562
Photography	-	-	75	75
Event supplies	-	-	908	908
Telephone	-	2,293	2,923	5,216
Credit card processing	-	-	1,689	1,689
Bank fees	-	314	-	314
Web site expense	-	-	6,850	6,850
Board meeting expenses	-	1,503	-	1,503
Dues, subscriptions and memberships	-	-	960	960
Supplies	-	2,648	2,649	5,297
Travel and meals	-	1,156	1,156	2,312
Miscellaneous expense	-	1,399	1,140	2,539
Depreciation	-	92	93	185
Professional fees	9,885	17,516	15,475	42,876
Donated professional fees	-	50,932	6,300	57,232
<b>TOTAL EXPENSES</b>	<b>\$ 100,062</b>	<b>\$ 106,645</b>	<b>\$ 85,061</b>	<b>\$ 291,768</b>

*See accompanying notes to financial statements*

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

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	<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	\$ 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
Event 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
Professional fees	3,250	-	28,797	32,047
Donated food	-	-	19,989	19,989
Donated professional fees	-	15,403	19,485	34,888
<b>TOTAL EXPENSES</b>	<b><u>\$ 67,250</u></b>	<b><u>\$ 45,099</u></b>	<b><u>\$ 134,716</u></b>	<b><u>\$ 247,065</u></b>

*See accompanying notes to financial statements*

**WOMEN'S CARING PROGRAM**  
 Statements of Cash Flows  
 For The Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Operating activities:		
Change in net assets	\$ (16,997)	\$ 5,762
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	185	-
Contribution of securities	(5,294)	-
Loss on the sale of contributed securities	304	-
Changes in operating assets and liabilities:		
Pledges receivable	-	14,000
Contribution receivable	(22,500)	(1,000)
Prepaid expenses	2,100	(2,100)
Accounts payable	16,454	-
Grant payable	40,457	(76,444)
Accrued expenses	1,830	-
Net cash provided by (used in) operating activities	<u>16,539</u>	<u>(59,782)</u>
Investing activities:		
Purchase of equipment	(1,386)	-
Proceeds from disposition of contributed securities	4,990	-
Net cash provided by investing activities	<u>3,604</u>	<u>-</u>
Change in cash and cash equivalents	20,143	(59,782)
Cash and cash equivalents at beginning of year	<u>147,409</u>	<u>207,191</u>
Cash and cash equivalents at end of year	<u>\$ 167,552</u>	<u>\$ 147,409</u>

*See accompanying notes to financial statements*

**WOMEN'S CARING PROGRAM**  
Notes to Financial Statements  
Years Ended December 31, 2010 and 2009

**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 a variety of fundraising appeals 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 use 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, 2010 and 2009 the Organization had temporarily restricted net assets of \$52,200 and \$0, respectively.

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, 2010 and 2009, the Association had no permanently restricted net assets.

**WOMEN'S CARING PROGRAM**  
Notes to Financial Statements  
Years Ended December 31, 2010 and 2009

**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. The donations received are recognized as income in the year received. Any pledges not collected as of year end are recorded as a contribution receivable. As of December 31, 2010 and 2009 the Organization had contribution receivable of \$23,500 and \$1,000, respectively.

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

Equipment – Equipment are stated at cost. Depreciation expense is calculated using straight-line method over the estimated useful lives of assets.

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.

Subsequent Events – Subsequent events have been evaluated through February 22, 2011, the date the financial statements were available to be issued.

**WOMEN'S CARING PROGRAM**  
Notes to Financial Statements  
Years Ended December 31, 2010 and 2009

**NOTE 2: EQUIPMENT**

As of December 31, 2010, the equipment and the related accumulated depreciation were as follows:

	<u>2010</u>
Equipment	\$ 1,386
Less accumulated depreciation	<u>185</u>
Equipment, net	<u>\$ 1,201</u>

**NOTE 3: 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 4: 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, 2010 and 2009 amounted to \$57,232 and \$34,888, 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 2010 and 2009 amounted to \$0 and \$19,989, respectively.

**NOTE 5: GRANTS PAYABLE**

The Organization established a grant payable in the amount of \$67,000 (inclusive of the \$52,200 temporarily restricted funds) to be awarded to families meeting certain income criteria. As of December 31, 2010 the amount outstanding is \$94,158.

In April 2010, the Organization entered into an agreement with Developmental Centers, Inc. (DCI) to provide administration and to process childcare scholarships for families and childcare providers in the Brightmoor area of Detroit. During 2010, DCI provided \$40,000 of funding to the Organization. The Organization has awarded scholarships in the amount of \$26,780. As of December 31, 2010 the amount outstanding is \$31,030.

**WOMEN'S CARING PROGRAM**  
Notes to Financial Statements  
Years Ended December 31, 2010 and 2009

**NOTE 5: GRANTS PAYABLE (Continued)**

	<u>2010</u>	<u>2009</u>
WCP Grants - unrestricted	\$ 41,958	\$84,731
WCP Grants – temporarily restricted	52,200	-
DCI Grants	<u>31,030</u>	<u>-</u>
Total Grants Payable	<u>\$125,188</u>	<u>\$84,731</u>

**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, 2010 and 2009, the Organization had uninsured balances in the money market fund of \$94,391 and \$133,807, respectively.

**NOTE 7: 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.