

**WOMEN OF MEANS, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**December 31, 2012**

**WOMEN OF MEANS, INC.  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Management of Women of Means, Inc.  
Wellesley, MA

We have audited the accompanying financial statements of Women of Means, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2012, and the related statements of activities and cash flows for the year then ended.

### Managements 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Women of Means, Inc. as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 11 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of

the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Goloboy CPA LLC*  
Cambridge, Massachusetts  
July 25, 2013

**WOMEN OF MEANS, INC.  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2012**

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**ASSETS**

**Current assets**

Cash and cash equivalents	\$ 423,025
Investments	6,359
Pledges receivable	21,744
Prepaid expenses	2,823

<b>Total current assets</b>	<u>453,951</u>
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**Property, plant and equipment**

Office furniture and equipment	29,579
Accumulated depreciation	<u>(28,554)</u>

<b>Net property, plant and equipment</b>	<u>1,025</u>
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**Other assets**

Trademark and logo	3,612
Security deposit	<u>1,703</u>

<b>Total other assets</b>	<u>5,315</u>
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**TOTAL ASSETS**

<b>\$ 460,291</b>
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**LIABILITIES AND NET ASSETS**

**Current liabilities**

Accounts payable and accrued expenses	\$ 9,108
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**Net assets**

Unrestricted net assets	404,014
Temporarily restricted net assets	<u>47,169</u>

<b>Total net assets</b>	<u>451,183</u>
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**TOTAL LIABILITIES AND NET ASSETS**

<b>\$ 460,291</b>
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**WOMEN OF MEANS, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Unrestricted	Temporarily Restricted	Total
<b>REVENUE AND SUPPORT</b>			
Contributions	\$ 324,590	\$ -	\$ 324,590
Grant revenue	261,651	45,708	307,359
Interest and dividend income	323	-	323
Net unrealized gain on investments	320	-	320
Other income	3,328	-	3,328
Total revenue and support	590,212	45,708	635,920
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>			
	106,116	(106,116)	-
<b>EXPENSES</b>			
Program services	445,999	-	445,999
Fundraising	117,321	-	117,321
Management and general	51,865	-	51,865
Total expenses	615,185	-	615,185
<b>CHANGE IN NET ASSETS</b>	<b>81,143</b>	<b>(60,408)</b>	<b>20,735</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>322,871</b>	<b>107,577</b>	<b>430,448</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 404,014</b>	<b>\$ 47,169</b>	<b>\$ 451,183</b>

See accompanying notes and independent auditor's report.

**WOMEN OF MEANS, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

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**OPERATING ACTIVITIES**

Change in net assets	\$ 20,735
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:	
Depreciation	1,472
Net unrealized gain on investments	(320)
Noncash contribution of stock	(4,977)
Decrease in pledges receivable	75,069
Increase in prepaid expenses	(71)
Increase in accounts payable and accrued expenses	<u>2,049</u>
Net cash and cash equivalents provided by operating activities	<u>93,957</u>

**INVESTING ACTIVITIES**

Purchase of investments	<u>(1,062)</u>
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Net cash and cash equivalents used in investing activities	<u>(1,062)</u>
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<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>92,895</b>
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<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>330,130</u></b>
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<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u><u>\$ 423,025</u></u></b>
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**Supplemental information:**

Taxes paid	<u>\$ -</u>
Interest paid	<u><u>\$ -</u></u>

WOMEN OF MEANS, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012

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NOTE 1 DESCRIPTION OF ORGANIZATION

Nature of Activities

The Organization was incorporated on August 16, 1999 under Chapter 180 of the general laws of Massachusetts as a nonprofit corporation with the mission to improve the lives of women who are homeless or marginally housed through compassionate, high quality health care, education and advocacy. The Organization provides these services free of charge to approximately 2,500 women primarily in homeless shelters in Eastern Massachusetts. The Organization has five major programs:

Shelter-Based Medical Care Services - Conducting daily medical clinics at seven Boston-area shelter sites using volunteer physicians and paid nursing staff, ensuring that critical clinical services, with familiar and compassionate medical providers, are consistently available.

Clinical Education for Community Service - Training for approximately 100 medical and nursing students, residents and interns each year through clinical rotations at its shelter-based clinics.

Aging in Shelters Collaborative Program - Providing proactive multi-agency collaborative case management and health promotion system for long-term homeless women, targeted at women 55 years of age and older.

Health Care Companion Program - Accompanying patients to appointments using volunteer advocates to help the patients to navigate the healthcare system and address the patients' healthcare needs.

Research and Evaluation - Performing research studies to identify the needs of the population the Organization serves and measure the value of its services.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The Organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for Not-For-Profits. The significant accounting and reporting policies used by the organization are described subsequently to enhance the usefulness and understandability of the financial statements.

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) No. 958-205, Not-for-Profit Entities Presentation of Financial Statements. Under ASC 958-205, the Organization is required to report 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. The Organization's net assets (excess of its assets over liabilities) and its revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

**WOMEN OF MEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

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**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Use of Estimates*

In preparing the Organization's financial statements in conformity with generally accepted accounting principles in the United States, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Revenue Recognition*

The statement of financial position presents three classes of net assets (permanently restricted, temporarily restricted, and unrestricted) when applicable. Unrestricted grants and contributions are recorded as revenue when received or unconditionally pledged. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a 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.

All of the Organization's revenue is derived from its activities in eastern Massachusetts. During the year ending December 31, 2012, the Organization derived approximately 99% of its total revenue from other non-profit agencies and individual donors and 1% from various other sources.

*Cash and Cash Equivalents*

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash deposit balances in banks located in Massachusetts. At times the bank balances exceeded the Federally-insured limit. The Organization minimizes its risk by maintaining its cash with a highly reputable financial institution.

*Pledges Receivable*

Pledges receivable consist of grants and donations pledged in 2012 but not yet received as of December 31, 2013. Management has determined that pledges receivable are fully collectible; therefore, no allowance for uncollectible accounts has been provided at December 31, 2012.

*Fixed Assets*

Fixed assets are stated at cost or fair value at the date of donation. Additions and betterments are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. Any resulting gains and losses are reflected in the statement of activities. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

**WOMEN OF MEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

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**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Donated Assets*

Donated marketable securities and other noncash donations are recorded as contributions at their fair market value at the date of donation.

*Donated Services*

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. No amounts have been reflected in the financial statements for donated services. Approximately 16 clinicians donated approximately 120 hours per month of professional clinical services to homeless shelters under the direction of the Organization. The value of these contributed services is not reflected in the financial statements since it is not susceptible to objective measurement or valuation.

*Functional Allocation of Expenses*

The cost of providing various programs and other activities has been summarized on a functional basis in the statement of functional expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of employee timesheets and Management's estimates. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

*Financial Instruments*

The carrying amounts of the Organization's financial instruments, which include cash and cash equivalents, pledges receivable, prepaid expenses, accounts payable and accrued expenses, approximate their fair values due to their short maturities.

*Income Taxes*

The Organization qualifies as an organization formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code and therefore no provision for income taxes is reflected in the statements. The Organization qualifies for the charitable contribution deduction for individuals under the Internal Revenue Code.

The Organization adopted Topic 740 of the FASB Accounting Standards Codification (ASC 740) relating to the accounting for uncertainty in income taxes. As required by this topic, the Organization has evaluated its tax positions, applying a "More Likely Than Not" standard, and believes that there would be no material changes to the results of its operations or financial position as a result of an audit by the applicable taxing authorities, federal or state.

Generally, all tax years prior to 2010 are closed via the passing of the statute of limitations. No notices have been received from the Internal Revenue Service addressing any subsequent year.

**WOMEN OF MEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

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**NOTE 3 INVESTMENTS**

The Organization categorizes the fair value of its financial assets and liabilities according to the hierarchy established by the FASB, which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Valuations based on quoted prices in active markets for identical assets or liabilities that the Organization has the ability to directly assess.

Level 2 Valuations based on quoted prices for similar assets or liabilities; valuations for interest-bearing securities based on non-daily quoted prices in active markets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.

Level 3 Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. In circumstances in which a quoted price in an active market for the identical liability is not available, the Organization is required to use the quoted price of the identical liability when traded as an asset, quoted prices for similar liabilities, or quoted prices for similar liabilities when traded as assets. If these quoted prices are not available, the Organization is required to use another valuation technique, such as income approach or a market approach.

The following table presents the fair value hierarchy for those financial assets measured at fair value on a recurring basis as of December 31, 2012:

	Fair Value Measurements on a Recurring Basis			
	Level 1	Level 2	Level 3	Total
Mutual funds and equities	\$ 6,359	\$ -	\$ -	\$ 6,359

Level 1 investments include mutual funds and equities as of December 31, 2012, which are valued based on quoted prices in an active market of the underlying assets owned by the fund, minus it's liabilities, then divided by the number of shares outstanding.

Investment return consisted of the following for the year ending December 31, 2012:

Interest and dividends	\$ 243
Unrealized gains	320
Unrealized losses	-
Total return on investments	\$ 563

**WOMEN OF MEANS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

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**NOTE 4 PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment consists of office furniture and equipment at December 31, 2012, and is depreciated using the straight-line method over an estimated useful life of five years. Depreciation was \$1,472 for the year ending December 31, 2012.

**NOTE 5 RESTRICTIONS AND RELEASE FROM RESTRICTIONS OF NET ASSETS**

At December 31, 2012 temporarily restricted net assets consists of grants and donations restricted for the following purposes:

Aging and Shelters Collaborative Program:	\$	26,883
Health Care Companion employee		15,000
Blood pressure equipment		3,825
Donations for the purchase of medical supplies		1,461
	\$	<u>47,169</u>

The sources of net assets released from temporary donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors were as follows:

Receipt of pledges receivable	\$	96,813
Purchase of medical supplies		9,303
	\$	<u>106,116</u>

**NOTE 6 OPERATING LEASE COMMITMENTS**

The Organization leases its office space in Wellesley, Massachusetts under a one year non-cancellable operating lease that expires January 14, 2014. The lease requires monthly payments of \$2,351. Rent expense for the year ended December 31, 2012 totaled \$27,813. Future minimum payments under the lease are \$28,212 in 2013.

**NOTE 7 RETIREMENT PLAN**

The Organization has adopted a 401(k) retirement plan (the Plan) covering all full-time employees. The Organization made no contributions to the Plan for the year ended December 31, 2012, and there are no outstanding liabilities from the Organization that are due to the Plan at December 31, 2012.

**NOTE 8 SUBSEQUENT EVENTS**

Management of the Organization has performed an evaluation of subsequent events through July 25, 2013, which is the date these financial statements were available to be issued. No material subsequent events have occurred since December 31, 2012 that required recognition of disclosure in these financial statements.

**WOMEN OF MEANS, INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

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	Program Services	Supporting Services		Total
		Fundraising	Management & General	
Personnel expenses	\$ 377,938	\$ 61,051	\$ 29,325	\$ 468,314
Consulting	9,534	40,421	2,232	52,187
Occupancy	19,469	6,397	1,947	27,813
Materials and services	18,457	-	-	18,457
Office expenses	14,310	5,080	5,446	24,836
Depreciation	-	-	1,472	1,472
Insurance	-	-	3,569	3,569
Travel and entertainment	4,716	194	194	5,104
Professional services	-	-	5,900	5,900
Marketing expenses	-	1,549	-	1,549
Special events	-	1,829	-	1,829
Dues and subscriptions	1,575	525	-	2,100
Miscellaneous	-	275	1,780	2,055
<b>TOTAL EXPENSES</b>	<b>\$ 445,999</b>	<b>\$ 117,321</b>	<b>\$ 51,865</b>	<b>\$ 615,185</b>