

WOMEN OF MEANS, INC.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
December 31, 2013**



**WOMEN OF MEANS, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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Taxes • Accounting • Business Consulting

One Broadway, 14th Floor
Kendall Square
Cambridge, MA 02142
t 617.475.1512
f 617.225.4456

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, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

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.

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, 2013, 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 12 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 10, 2014

WOMEN OF MEANS, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2013

ASSETS

Current assets

Cash and cash equivalents	\$ 494,465
Investments	9,703
Pledges receivable	12,500
Prepaid expenses	2,872
Total current assets	<u>519,540</u>

Property, plant and equipment

Office furniture and equipment	29,579
Accumulated depreciation	<u>(28,964)</u>
Net property, plant and equipment	<u>615</u>

Other assets

Trademark and logo	3,612
Security deposit	1,703
Total other assets	<u>5,315</u>

TOTAL ASSETS \$ 525,470

LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable and accrued expenses	\$ 9,279
Deferred revenue	8,580
Total current liabilities	<u>17,859</u>

Net assets

Unrestricted net assets	486,363
Temporarily restricted net assets	21,248
Total net assets	<u>507,611</u>

TOTAL LIABILITIES AND NET ASSETS \$ 525,470

WOMEN OF MEANS, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT			
Contributions	\$ 434,668	\$ -	\$ 434,668
Grant revenue	220,737	20,183	240,920
Interest and dividend income	423	-	423
Net unrealized gain on investments	443	-	443
Other income	2,249	-	2,249
Total revenue and support	658,520	20,183	678,703
NET ASSETS RELEASED FROM RESTRICTIONS	46,104	(46,104)	-
EXPENSES			
Program services	447,944	-	447,944
Fundraising	126,037	-	126,037
Management and general	48,294	-	48,294
Total expenses	622,275	-	622,275
CHANGE IN NET ASSETS	82,349	(25,921)	56,428
NET ASSETS, BEGINNING OF YEAR	404,014	47,169	451,183
NET ASSETS, END OF YEAR	\$ 486,363	\$ 21,248	\$ 507,611

See accompanying notes and independent auditor's report.

WOMEN OF MEANS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

OPERATING ACTIVITIES

Change in net assets	\$ 56,428
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:	
Depreciation	410
Net unrealized gain on investments	(443)
Noncash contribution of stock	(2,549)
Decrease in pledges receivable	9,244
Increase in prepaid expenses	(49)
Increase in accounts payable and accrued expenses	170
Increase in deferred revenue	8,580
	<u>71,791</u>
Net cash and cash equivalents provided by operating activities	<u>71,791</u>

INVESTING ACTIVITIES

Purchase of investments	<u>(351)</u>
Net cash and cash equivalents used in investing activities	<u>(351)</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS 71,440

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 423,025

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 494,465

Supplemental information:

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

WOMEN OF MEANS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

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 a team of volunteer physicians and paid nursing staff, ensuring that critical medical and related care services, with familiar and compassionate medical providers, are consistently available.

Medical Home Without Walls - Providing primary care and care coordination for women aged 65 years and over with hospital partnerships contracted through an Accountable Care Organization.

Family Shelter Services - Doctors and nurses provide walk-in care, care coordination, referrals, developmental assessments and parenting education at family shelter sites.

Clinical Education for Community Service - Training approximately 100 Boston-area medical and nursing students, residents and interns each year, using a curriculum created and published by Women of Means, Inc.

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, 2013

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, 2013, 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 2013 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, 2013.

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, 2013

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 1,550 hours of professional clinical services to homeless shelters under the direction of the Organization during the year ended December 31, 2013. 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 2011 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, 2013

NOTE 3 INVESTMENTS

Management of the Organization has performed an evaluation of subsequent events through July 10, 2014, which is the date these financial statements were available to be issued. No material subsequent events have occurred since December 31, 2013 that required recognition of disclosure in these financial statements.

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, 2013:

	Fair Value Measurements on a Recurring Basis			
	Level 1	Level 2	Level 3	Total
Mutual funds and equities	\$ 9,703	\$ -	\$ -	\$ 9,703

Level 1 investments include mutual funds and equities as of December 31, 2013, which are valued based on quoted prices in an active market of the underlying assets owned by the fund, minus its liabilities, then divided by the number of shares outstanding.

Investment return consisted of the following for the year ending December 31, 2013:

Interest and dividends	\$ 391
Unrealized gains	443
Unrealized losses	-
Total return on investments	<u>\$ 834</u>

WOMEN OF MEANS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

Property, plant, and equipment consists of office furniture and equipment at December 31, 2013, and is depreciated using the straight-line method over an estimated useful life of five years. Depreciation was \$410 for the year ending December 31, 2013.

NOTE 5 RESTRICTIONS AND RELEASE FROM RESTRICTIONS OF NET ASSETS

At December 31, 2013 temporarily restricted net assets consists of grants and donations restricted for the following purposes:

Medical Home Without Walls program	\$ 18,513
Medical equipment and computers	1,670
Blood pressure equipment	1,065
	<u>\$ 21,248</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:

Aging in Shelters program expenses	\$ 26,883
Health Care Companion employee salary	15,000
Purchase of blood pressure equipment	2,760
Purchase of medical supplies	1,461
	<u>\$ 46,104</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 March 31, 2015. The lease requires monthly payments of \$3,242. Rent expense for the year ended December 31, 2013 totaled \$28,669. Future minimum payments under the lease are as follows:

2014	\$ 35,161
2015	<u>9,726</u>
	<u>\$ 44,887</u>

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, 2013, and there are no outstanding liabilities from the Organization that are due to the Plan at December 31, 2013.

WOMEN OF MEANS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 8 SUBSEQUENT EVENTS

Management of the Organization has performed an evaluation of subsequent events through July 10, 2014, which is the date these financial statements were available to be issued. No material subsequent events have occurred since December 31, 2013 that required recognition of disclosure in these financial statements.

WOMEN OF MEANS, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Management of the (Supporting Services		Total			
	Program	Services	Fundraising	Management & General				
Personnel expenses	\$	365,480	\$	58,024	\$	28,401	\$	451,905
Consulting		30,158		47,616		2,077		79,851
Occupancy		20,068		6,594		2,007		28,669
Materials		11,680		-		-		11,680
Office expenses		14,856		4,981		4,752		24,589
Depreciation		-		-		410		410
Insurance		-		-		3,693		3,693
Travel and entertainment		3,128		347		347		3,822
Professional services		-		-		5,612		5,612
Marketing expenses		-		1,729		-		1,729
Special events		-		5,833		-		5,833
Dues and subscriptions		1,279		426		-		1,705
Miscellaneous		1,295		487		995		2,777
TOTAL EXPENSES	\$	447,944	\$	126,037	\$	48,294	\$	622,275