

**WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION**

June 30, 2013

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
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FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Women in Distress of Broward County, Inc.
Deerfield Beach, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Women in Distress of Broward County, Inc., (a not-for-profit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, functional expenses, 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.

Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the Organization as of June 30, 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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2012 financial statements, and our report dated September 27, 2012, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, *Rules of the Auditor General*, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2013, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
September 25, 2013

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2013
(with comparative totals as of June 30, 2012)

A S S E T S

	<u>2013</u>	<u>2012</u>
ASSETS:		
Cash and cash equivalents	\$ 1,106,029	\$ 781,775
Grants receivable	251,422	309,595
Promises to give, net	467,628	580,279
Prepaid expenses and deposits	72,076	85,701
Inventory	59,921	66,076
Restricted cash	-	65,755
Beneficial interest in assets held by Community Foundation of Broward, Inc.	1,006,250	960,471
Property and equipment, net	<u>8,463,095</u>	<u>8,796,153</u>
Total assets	<u>\$ 11,426,421</u>	<u>\$ 11,645,805</u>

L I A B I L I T I E S A N D N E T A S S E T S

LIABILITIES:		
Accounts payable	\$ 26,293	\$ 49,204
Accrued liabilities	171,077	184,122
Deferred revenue	11,089	24,822
Mortgage note payable	2,031,894	2,071,709
Obligation under interest rate swap	159,671	219,933
Note payable	22,101	29,468
Lines of credit	<u>-</u>	<u>75,980</u>
Total liabilities	<u>2,422,125</u>	<u>2,655,238</u>

COMMITMENTS AND CONTINGENCIES (Note 13)	-	-
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NET ASSETS:		
Unrestricted	7,069,788	7,317,902
Temporarily restricted	1,022,519	760,676
Permanently restricted	<u>911,989</u>	<u>911,989</u>
Total net assets	<u>9,004,296</u>	<u>8,990,567</u>
Total liabilities and net assets	<u>\$ 11,426,421</u>	<u>\$ 11,645,805</u>

The accompanying notes to financial statements are an integral part of these statements.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013
(with comparative totals for the year ended June 30, 2012)

	2013			2012	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
PUBLIC SUPPORT:					
Grants from governmental agencies	\$ 2,385,061	\$ -	\$ -	\$ 2,385,061	\$ 2,326,303
Grants from corporations and foundations	396,165	16,835	-	413,000	303,931
United Way	120,540	-	-	120,540	120,545
Contributions from individuals and corporations	558,107	30,000	-	588,107	480,496
Capital campaign contributions	-	183,978	-	183,978	68,246
In-kind donations, thrift store	561,919	-	-	561,919	582,082
Other in-kind donations	482,952	-	-	482,952	580,056
Special events	365,418	-	-	365,418	388,449
Total public support	4,870,162	230,813	-	5,100,975	4,850,108
REVENUE:					
Thrift store	501,539	-	-	501,539	515,043
Investment earnings (loss)	66,702	45,779	-	112,481	(3,231)
Seminar and auditorium	-	-	-	-	4,386
Gain from disposition of property	-	-	-	-	66,148
Miscellaneous	63,391	-	-	63,391	96,992
Total revenue	631,632	45,779	-	677,411	679,338
Net assets released from restrictions	14,749	(14,749)	-	-	-
Total public support, revenue and net assets related from restrictions	5,516,543	261,843	-	5,778,386	5,529,446
EXPENSES:					
Program services:					
Residential	1,695,466	-	-	1,695,466	1,299,267
Outreach	1,732,849	-	-	1,732,849	1,870,442
Prevention and education services	257,901	-	-	257,901	566,083
Thrift store	981,128	-	-	981,128	1,016,300
Total program services	4,667,344	-	-	4,667,344	4,752,092
Supporting services:					
Fundraising	626,838	-	-	626,838	734,880
Management and general	530,737	-	-	530,737	511,573
Total supporting services	1,157,575	-	-	1,157,575	1,246,453
Total expenses	5,824,919	-	-	5,824,919	5,998,545
Total change in net assets before change in fair value of interest rate swap	(308,376)	261,843	-	(46,533)	(469,099)
Change in fair value of interest rate swap (Note 11)	60,262	-	-	60,262	(219,933)
Change in net assets	(248,114)	261,843	-	13,729	(689,032)
NET ASSETS, beginning of year,	7,317,902	760,676	911,989	8,990,567	9,679,599
NET ASSETS, end of year	<u>\$ 7,069,788</u>	<u>\$ 1,022,519</u>	<u>\$ 911,989</u>	<u>\$ 9,004,296</u>	<u>\$ 8,990,567</u>

The accompanying notes to financial statements are an integral part of these statements.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2013
(with comparative totals for the year ended June 30, 2012)

	Program Services				Supporting Services		Total	2012
	Residential	Outreach	Prevention and Education Services	Thrift Store	Fundraising	Management and General		
PERSONNEL COSTS:								
Salaries	\$ 795,688	\$ 890,767	\$ 39,714	\$ 167,969	\$ 281,940	\$ 135,909	\$ 2,311,987	\$ 2,498,928
Member allowances	-	-	146,779	-	-	-	146,779	176,615
Employee benefits	147,202	164,792	33,465	31,074	52,159	25,562	454,254	520,706
Total personnel costs	942,890	1,055,559	219,958	199,043	334,099	161,471	2,913,020	3,196,249
OTHER EXPENSES:								
Occupancy	173,793	102,655	5,144	168,992	26,957	58,476	536,017	478,950
Professional fees	104,072	60,530	1,352	11,997	22,562	59,801	260,314	171,784
Other expenses	53,293	49,173	5,479	8,598	36,179	49,517	202,239	168,380
Supplies	72,258	17,062	6,786	4,313	4,641	25,328	130,388	101,992
Rental and maintenance of equipment	9,957	15,967	15	3,953	7,769	17,436	55,097	73,360
Contributions to participants	26,615	23,030	-	-	-	-	49,645	57,255
Special events	-	-	-	-	48,622	-	48,622	49,793
Telephone	13,083	16,077	452	2,209	3,903	9,099	44,823	44,542
Travel - staff	3,306	6,418	12,481	2,698	1,991	9,648	36,542	39,679
Membership dues/subscriptions	66	22	1	-	45	21,365	21,499	21,491
Printing and publications	1,992	2,829	1	2,370	10,484	2,930	20,606	19,971
Bad debt allowance	-	-	-	-	-	15,566	15,566	12,998
Auxiliary expenses	-	-	-	-	9,806	-	9,806	8,116
Conferences, conventions and meetings	-	1,030	-	51	872	7,571	9,524	5,018
Postage and shipping	311	2,046	2	-	3,396	2,420	8,175	1,588
Total personnel and other expenses	1,401,636	1,352,398	251,671	404,224	511,326	440,628	4,361,883	4,451,166
IN-KIND EXPENSES:								
Cost of goods sold	-	-	-	568,074	-	-	568,074	594,734
Professional fees	-	172,762	-	-	-	-	172,762	222,090
Supplies and services	106,092	120,861	-	-	80,213	3,075	310,241	357,967
Total in-kind expenses	106,092	293,623	-	568,074	80,213	3,075	1,051,077	1,174,791
Depreciation	187,738	86,828	6,230	8,830	35,299	87,034	411,959	372,588
Total expenses	\$ 1,695,466	\$ 1,732,849	\$ 257,901	\$ 981,128	\$ 626,838	\$ 530,737	\$ 5,824,919	\$ 5,998,545

The accompanying notes to financial statements are an integral part of these statements.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2013
(with comparative totals for the year ended June 30, 2012)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 13,729	\$ (689,032)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in fair value of interest rate swap	(60,262)	219,933
Depreciation	411,959	372,588
Bad debt expense	15,566	1,588
Unrealized (gain) loss on investments and beneficial interest in assets held by Community Foundation of Broward, Inc.	(45,779)	69,332
(Gain) loss from disposition of property and equipment	2,810	(66,148)
Changes in assets and liabilities:		
(Increase) decrease in:		
Grants receivable	58,173	86,801
Promises to give	97,085	363,851
Prepaid expenses and deposits	13,625	(6,230)
Inventory	6,155	12,652
Increase (decrease) in:		
Accounts payable	(22,911)	(323,983)
Accrued liabilities	(13,045)	4,107
Deferred revenue	(13,733)	24,822
	463,372	70,281
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investment	-	50,913
Proceeds from disposition of property and equipment	-	462,173
Purchase of property and equipment	(81,711)	(742,379)
	(81,711)	(229,293)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Advances from lines of credit	-	1,687,707
Withdrawals/(deposits) from/(to) restricted cash	65,755	(38,467)
Principal payments on note payable	(7,367)	(7,367)
Principal payments on mortgage note payable	(39,815)	(28,291)
Principal payments on lines of credit	(75,980)	(978,742)
	(57,407)	634,840
Net cash provided by (used in) financing activities	(57,407)	634,840
Net change in cash and cash equivalents	324,254	475,828
CASH AND CASH EQUIVALENTS, beginning of year	781,775	305,947
CASH AND CASH EQUIVALENTS, end of year	\$ 1,106,029	\$ 781,775
Supplemental disclosure of cash flow information:		
Interest received	\$ 66,702	\$ 66,101
Interest paid	\$ 122,680	\$ 120,594
Supplemental disclosure of non-cash investing and financing activities:		
Conversion of line of credit to mortgage note payable	\$ -	\$ 2,100,000

The accompanying notes to financial statements are an integral part of these statements.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013
(with comparative totals as of June 30, 2012)

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities:

Women in Distress of Broward County, Inc. the (“Organization”) is a private, nonprofit organization incorporated on July 25, 1974, whose mission is to stop domestic violence abuse for everyone through intervention, education and advocacy. The Organization is the only State of Florida Certified Domestic Violence Center in Broward County. The Organization provides a wide array of services which includes emergency shelter, a 24-hour hotline, case management, counseling, child assessment, safety planning and advocacy. The Organization also provides law enforcement training, professional training and community education.

In September 2010, the Organization received national reaccreditation from the Council on Accreditation (COA). COA is an international, independent, not-for-profit, child and family service and behavior health care accrediting organization. The Organization was first accredited in 2002 and has successfully been reaccredited every four years subsequently.

The following are descriptions of the purpose and activities of the Organization’s program services:

Residential Services

The program’s purpose is to provide safe temporary emergency housing for victims of domestic violence and their dependents. Supportive services are available at the shelter, including individual and group counseling sessions on the dynamics of domestic violence, advocacy, crisis counseling and referrals. In addition, the program also provides food, clothing, child care assistance and other services. Respite services are available to supervise children while the parent/guardian is receiving services. Family outings and activities are also offered occasionally. Services are obtained through the 24-hour crisis line which is housed at the shelter.

Outreach Services

The primary purpose of the program is to provide victims of domestic violence and their dependents with support counseling on the dynamics of domestic violence, crisis counseling, and engaging in other supportive activities as appropriate. Domestic violence victims are also provided case management, referrals, documentation of abuser patterns and safety plans. Outreach services are also available on a limited basis at satellite offices and partner agencies. Respite services are available to supervise children while the parent/guardian is receiving services.

Prevention and Education Services

The Organization maintains ongoing outreach efforts to educate Broward County’s residents about the dynamics, definitions and impact of intimate partner violence in the community and the people they serve. The Organization provides prevention, education and awareness to youth and adults so they may better understand how bullying and intimate partner violence perpetuate themselves, the effects on family members, school community and society as a whole, intervention and prevention methods, and the programs and services available at the Organization. Training and prevention is provided to help youth and community members recognize the warning signs of intimate partner violence and understand its impact on families and society. Creating change among attitudes, beliefs and behaviors surrounding intimate partner violence is critical so the community can appropriately refer victims for assistance and increase the possibility of early intervention and prevention.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(with comparative totals as of June 30, 2012)

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Organization, in collaboration with Volunteer Florida and the Children's Service Council of Broward, also has a 12-member AmeriCorps program which helps the Organization increase community awareness, educating and engaging youth to end violence, with particular focus on K-5 grade levels and teen dating and relationship issues among teens and young adults.

Thrift Store

The purpose is to provide additional revenues to support core operations for the Organization and provide clothing and household items to program participants. Donated goods and merchandise are sold to the public and proceeds are used in the daily operation of the Organization. Program participants are also provided clothing and furniture from the store free of charge.

Deerfield Beach Expansion

In 2008, the Organization embarked on an expansion to meet the growing need in Broward County for domestic violence services. A six-acre site in Deerfield Beach, Florida with a total of more than 64,000 square feet of service space was purchased in 2008; extensive renovations were completed in 2011 that consolidated all services into one location, doubled its capacity for services and also doubled the emergency shelter capacity from 62 beds to up to 132 beds. The Organization completed its move of all operations to the new Jim and Jan Moran Family Center campus in the summer and fall of 2011. New services are available to domestic violence victims such as a wellness center where participants receive health screenings and dental care. Broward Sheriff's Office ("BSO") located a substation on the new Moran Family Center campus. Also, a pet shelter is planned for 2014 to ensure safety of pets when families are leaving abusive situations.

Other real estate owned by the Organization was sold in the period 2009 through 2012, with the last of three properties sold in June, 2012. Proceeds of these property sales assisted with the acquisition and renovation costs for the new, consolidated Jim and Jan Moran Family Center.

Basis of accounting:

The Organization follows standards of accounting and financial reporting prescribed for not-for-profit organizations. The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of presentation:

The financial statements of the Organization have been prepared under the guidance of Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 958, *Not-for-Profit Entities*. Under (ASC) No. 958, 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.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(with comparative totals as of June 30, 2012)

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may, or will be, met by either actions of the Organization and/or passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that must be maintained in perpetuity. Generally, the donors of these assets permit the Organization to use all or part of the income earned on the assets for general or specific purposes.

Cash and cash equivalents:

The Organization considers cash and all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents include checking, money markets and certificates of deposit held in several financial institutions. At times, the balances in these accounts may exceed federally insured limits. The Organization has not experienced any losses and does not believe it is exposed to significant risk associated with its cash and cash equivalents.

Restricted cash:

As of June 30, 2012 the Organization restricted cash represents funds for a contingent liability related to the sale of property (Note 4). This liability was repaid during the current fiscal year. The Organization had no restricted cash at June 30, 2013.

Investments:

The Organization's investments are reported at fair value and consist of certificates of deposit with original maturities, from the date of purchase, of ninety days or greater.

Beneficial interest in assets held by Community Foundation of Broward, Inc.:

Beneficial interest in assets held by Community Foundation of Broward, Inc. (the "Foundation") represents the fiscal year end value of the Edee Greene Women in Distress of Broward County, Inc. Endowment Fund ("Fund"). The Organization established this Fund at the Foundation with funds received from a donor which were then transferred to the Foundation and specified itself as the beneficiary of that Fund.

Inventory:

Inventory, which consists of donated clothing, household goods and various other items, are held for sale at the thrift store. Since there is no cost to the Organization, inventory is recorded at fair market value determined by the price at which the item can be sold. Revenue is recognized when the donated items are sold and in-kind donations are recorded at an amount equal to the sales revenue from the thrift store. Changes in year-end inventory amounts are recorded as additional sales revenue or cost of goods sold, as appropriate.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013
(with comparative totals as of June 30, 2012)

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment:

Property and equipment are recorded at cost if purchased or if donated, at the fair value at the date of donation less an allowance for depreciation. When assets are sold or retired, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is recognized.

Property and equipment acquisitions are capitalized if they are in excess of \$ 1,000 or have a useful life of three years or more. Items that are less than the capitalization threshold are expensed in the year acquired. The Organization reviews assets for impairment whenever events or changes in circumstances indicate the carrying value of the asset may not be recoverable. A determination of impairment, if any, is made based on estimates of undiscounted future cash flows. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of buildings and improvements range from 5 to 30 years and leasehold improvements, furniture, equipment and vehicles have useful lives ranging from 3 to 7 years.

Contributions:

The Organization accounts for contributions in accordance with the guidance of Financial Accounting Standards Board in its Accounting Standard Codification (ASC) No. 958, *Not-for-Profit Entities, Accounting for Contributions Received and Contributions Made*. In accordance with (ASC) No. 958, contributed goods and services are recorded as contributions at their estimated fair value at date of receipt.

Revenue recognition:

The Organization receives numerous grants from governmental agencies and certain foundations. The Organization recognized income from these grants as revenue and support only to the extent that expenditures have been made for the purposes specified by the grant agreement.

Donated supplies and services:

Donated supplies and services are reflected in the accompanying financial statements at their estimated fair market value at the date of receipt. Donated services are recognized at their fair market value if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since these are not susceptible to objective measurement or valuation.

Donated property and equipment:

Donations of property and equipment, if material, are recorded as support at their estimated fair value at the date of donation. Such donations would be reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at this time.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013
(with comparative totals as of June 30, 2012)

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Promises to give:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are 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 transferred to unrestricted net assets.

The Organization uses the allowance method to determine the estimated unconditional promises to give that are doubtful of collection. The allowance is based on prior years' experience and management's analysis of specific promises made. Promises to give, less an allowance for uncollectible amounts, are discounted to reflect the time value of money.

Functional expense allocation:

The costs of providing the programs and activities of the Organization have been summarized on a functional basis in the accompanying statement of functional expenses. Expenses are charged to program services, management and general, or fundraising based on direct expenses incurred. Any expenses not directly chargeable are allocated based on full-time equivalents (FTEs).

Advertising costs:

Advertising costs are charged to expense as incurred. Total advertising expense was \$ 1,255 and \$ 680 for the years ended June 30, 2013 and 2012, respectively.

Income taxes:

The Organization is registered with the Internal Revenue Services as a nonprofit organization under Internal Revenue Code Section 501(c)(3) and is exempt from federal income taxes. Accordingly, no provision has been made for income taxes in the accompanying financial statements.

Comparative information:

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2012, from which the summarized information was derived.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. It is reasonably possible that these estimates will change in the near future. Accordingly, actual results could differ from those estimates.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(with comparative totals as of June 30, 2012)

NOTE 1 - NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentrations of risk:

The Organization has a contract agreement with the Florida Coalition Against Domestic Violence (FCADV). The purpose of the grant is to support the ability of the Organization to continue to provide Social Services to the Broward County population consistent with its current programs and services described in Note 1. Revenue from the grant represented approximately \$ 1,585,000 or 27% of total revenue and support for the year ending June 30, 2013. The Organization renewed its contract with FCADV for approximately \$ 1,784,000 through June 30, 2014. Receivables due from FCADV were approximately \$ 137,000 or 54% of total grant receivables at June 30, 2013.

Compensated absences:

The Organization recognized the costs of compensated absences when actually earned by the employees. Accordingly, a liability for such absences has been recorded in the accompanying financial statements.

Date of management review:

Subsequent events have been evaluated through September 25, 2013, which is the date the financial statements were issued.

NOTE 2 - PROMISES TO GIVE

At June 30, 2013 and 2012, unconditional promises to give consisted of the following:

	2013	2012
Receivable in less than one year	\$ 301,775	\$ 47,052
Receivable in one to five years	271,238	640,982
Receivable in more than five years	-	22,500
Total promises to give	573,013	710,534
Less allowance for doubtful promises to give	(92,006)	(112,372)
Present value discount	(13,379)	(17,883)
	\$ 467,628	\$ 580,279

Unconditional promises to give due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 1.76% for the years ended June 30, 2013 and 2012, respectively.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013
(with comparative totals as of June 30, 2012)

NOTE 3 - FAIR VALUE MEASUREMENTS

The Organization's investments are reported at fair value in the accompanying statement of financial position. Accounting Standard Codification (ASC) No. 820, *Fair Value Measurement and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs are significant unobservable inputs and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs that are significant unobservable inputs and to measure the fair value of its investments. The fair value of the Organization's investment is classified under Level 2 for the years ending June 30, 2013 and 2012.

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30, 2013 and 2012:

	2013	2012
Land	\$ 1,224,429	\$ 1,224,429
Building and improvements	7,212,391	7,212,391
Furniture and equipment	967,104	893,202
Vehicles	106,719	106,719
	9,510,643	9,436,741
Less accumulated depreciation	(1,047,548)	(640,588)
	\$ 8,463,095	\$ 8,796,153

In December 2008, the Organization purchased a five-wing facility in Deerfield Beach, Florida for \$ 3,164,127. In the fall of 2011 significant renovations to the property were completed and the Organization moved all of its operations to the newly renovated facility. Total cost of the renovations was \$5,230,547.

In June 2012, the Organization sold the last of three other properties owned by the Organization for \$500,000. A net gain of \$ 66,148 was recorded from this sale. The proceeds from the sale were used to partially pay down the remaining line of credit as of June 30, 2012.

During the title search for the above property it was revealed that the property was encumbered by a lien. As a condition to the sale, the Organization has restricted funds to pay a contingent liability. These funds totaling \$ 65,755 were included in the statement of financial position as restricted cash as of June 30, 2012. This liability was repaid during the fiscal year ended June 30, 2013.

Depreciation expense was \$ 411,959 and \$ 372,588 for the years ended June 30, 2013 and 2012, respectively.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(with comparative totals as of June 30, 2012)

NOTE 5 - THRIFT STORE

Net Thrift Store proceeds provided by its daily operations were \$ 82,330 and \$ 80,825 for the years ended June 30, 2013 and 2012, respectively. Items given to participants were valued at \$ 66,535 and \$ 79,698 for the years ended June 30, 2013 and 2012, respectively.

	2013	2012
Thrift Store revenue (including donated items)	\$ 1,063,458	1,097,125
Expenses (including costs of goods sold)	(981,128)	(1,016,300)
Net proceeds provided by Thrift Store operations	\$ 82,330	\$ 80,825

NOTE 6 - CONTRIBUTED SERVICES, GOODS AND FACILITIES

The Organization receives donated professional services, goods, and facilities as part of its program services and fundraising campaigns during the year. Only those donated services that require specialized skills are reflected in the financial statements. These donations are recorded and reflected in the accompanying financial statements at estimated fair value as “in-kind donations, thrift store” and “other in-kind donations” in the statement of activities for the years ended June 30, 2013 and 2012, as follows:

	2013	2012
Goods donated to the Organization	\$ 872,109	\$ 940,048
Professional services	172,762	222,090
Total	\$ 1,044,871	\$ 1,162,138

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods at June 30, 2013 and 2012:

	2013	2012
Capital Fund	\$ 929,905	\$ 800,402
Direct Services - Children's and emergency shelter	16,835	19,014
Food bank	30,000	-
Individual Donor Fund - Participants	-	10,592
Gain (loss) on endowment held at the Foundation	45,779	(69,332)
Total	\$ 1,022,519	\$ 760,676

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013
(with comparative totals as of June 30, 2012)

NOTE 8 - PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets as of June 30, 2013 and 2012 consist of endowed contributions, which are held by the Community Foundation of Broward, Inc., (the "Foundation"), the income from which is available to fund general operations of the Organization. Permanently restricted contributions of \$ 911,989 are invested into perpetuity. The Organization will receive income from this Fund in accordance with the Fund agreement and this income is unrestricted (Note 9).

NOTE 9 - ENDOWMENT FUND

The Organization previously entered into an agency endowment fund agreement with the Foundation. As of June 30, 2013 and 2012, the total fair value of the endowment funds which are held and controlled by the Foundation amounted to \$ 1,376,625 and \$ 1,313,901, respectively. The funds are invested in a broadly diversified portfolio. Each year, as determined by the Foundation's Board of Directors, the Foundation distributes to the Organization investment earnings based upon 5% of the 12-quarter rolling average of the fair market value of the funds. Total investment earnings received by the Organization from the funds for the years ended June 30, 2013 and 2012 was \$ 74,257 and \$ 65,936, respectively. The following are the endowment funds with the Foundation:

Edee Greene Women in Distress of Broward County, Inc. Endowment Fund

This fund was created on October 5, 1999 in the aggregate pledge amount of \$ 1,000,000. The pledged amount was received and paid by the Organization to the Foundation from one of its directors, as required by the gift agreement. As of June 30, 2013 and 2012, the fair value of the endowment fund amounted to \$ 1,006,250 and \$ 960,471, respectively.

The Domestic Violence Fund for Women in Distress

This fund was created on March 12, 2002 as part of the endowment plan challenge sponsored by another private foundation. As of June 30, 2013 and 2012, the fair value of the endowment fund at the Foundation amounted to \$ 370,375 and \$ 353,431, respectively.

NOTE 10 - LINES OF CREDIT

On February 16, 2012 the Organization entered into a revolving line of credit agreement (the "Line") with Northern Trust in the amount of \$ 750,000. The Line was renewed on February 14, 2013 in the amount of \$ 500,000 and expires February 13, 2014. The Line carries a variable rate of interest, payable monthly at the lender's prime rate (3.25% at June 30, 2013). As of June 30, 2013 and 2012 the balance outstanding was \$ 0 and \$ 75,980, respectively. Interest expense for the years ended June 30, 2013 and 2012 was \$ 1,941 and \$ 6,575, respectively. The Line requires certain restrictive covenants which must be adhered to by the Organization. Among their provisions, the agreement calls for a minimum debt service coverage ratio of 1.00. As of June 30, 2013, the Organization was in compliance with its minimum debt service coverage ratio.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(with comparative totals as of June 30, 2012)

NOTE 10 - LINES OF CREDIT (continued)

The Organization previously entered into an additional revolving line of credit with Northern Trust in the amount of \$ 1,675,000 to undertake construction and improvements to the Deerfield Beach property. This line of credit carried a variable rate of interest payable monthly at the lender's prime rate and a final payment of the remaining principal balance plus unpaid interest on December 15, 2011. This line of credit was partially repaid with proceeds from the sale of the Family Center property in a prior year. The Organization then entered into an agreement with Northern Trust to modify this revolving line of credit of \$ 1,675,000 to a non-revolving line of credit for \$ 2,100,000. During the construction phase of the Deerfield Beach property, which extended through September 15, 2011, the non-revolving line of credit carried a floating rate of interest at the lender's prime rate but in no event less than 3%, payable monthly. As of June 30, 2012, \$ 2,071,709 was outstanding. The Organization incurred and capitalized interest expense totaling \$ 36,330 during the construction phase of the Deerfield Beach property. Beginning October 15, 2011, the non-revolving line of credit was converted to a mortgage note payable (Note 11).

NOTE 11 - MORTGAGE NOTE PAYABLE

During the year ended June 30, 2012, the Organization entered into an agreement with Northern Trust to convert its \$ 2,100,000 non-revolving line of credit into a mortgage note payable. The mortgage note payable is secured by the Organization's Deerfield Beach property. The mortgage requires monthly principal and variable interest payments based on British Bankers Association LIBOR Rate plus 2.50% (2.695% and 2.745% at June 30, 2013 and 2012, respectively) through September 15, 2016, at which time the remaining principal balance is due. Future mortgage principal payments are approximately as follows:

Year Ending

June 30,

2014	\$	42,200
2015	\$	44,800
2016	\$	47,200
2017	\$	1,897,700

In conjunction with the mortgage note payable above, the Organization entered into an interest rate swap agreement (the "Swap") with Northern Trust that expires in September 2016. The Swap effectively converts the variable interest rate of the mortgage to a fixed rate. The fixed rate being paid to the bank is 5.80%, while the payment received from the bank is based on the British Bankers Association LIBOR Rate plus 2.50% (2.695% and 2.745% at June 30, 2013 and 2012, respectively).

The fair value (obligation) of the Swap is based on a quote obtained from Northern Trust, which was quoted at \$ (159,671) and \$ (219,933) as of June 30, 2013 and 2012, respectively, and is included as a liability in the statement of financial position. This negative value would have been incurred had the Organization elected to close this transaction at June 30, 2013 and 2012. However, it is management's intention to carry this transaction through maturity. Interest expense in connection with the mortgage note and interest rate swap agreement amounted to \$ 120,740 and \$ 102,107 for the years ended June 30, 2013 and 2012, respectively.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
NOTES TO FINANCIAL STATEMENTS
 June 30, 2013
 (with comparative totals as of June 30, 2012)

NOTE 11 - MORTGAGE NOTE PAYABLE (continued)

In connection with the mortgage note payable, the Organization's agreement contains a number of restrictive covenants. Among other provisions, the agreement requires a minimum debt service coverage ratio of 1.00. At June 30, 2013, the Organization was in compliance with the minimum debt service coverage.

NOTE 12 - NOTE PAYABLE

The Organization previously entered into a note payable agreement for a vehicle. The note provides for monthly payments of \$ 614 with interest at 5.99%. Future minimum principal payments are approximately as follows:

Year Ending June 30,		
2014	\$	6,330
2015	\$	6,720
2016	\$	9,051

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Operating lease:

The Organization previously executed a non-cancelable lease of property for its Thrift Store with Trizek Village Plaza, Inc. for the period beginning July 1, 2007 through September 30, 2012. The monthly rent charged ranged from \$ 7,495 to \$ 7,985 plus other operating expenses. Effective March 1, 2012 through February 28, 2015, the Organization renegotiated the lease to lower its monthly rent to \$ 7,242 plus common area maintenance, real estate taxes and insurance fees. The lease includes the option to renew for a 2-year period at an increase of 3% per year.

The Organization also leases equipment under various non-cancelable leases expiring in various years through 2017.

Total thrift store rent expense, which includes common area maintenance and copier equipment rental was approximately \$ 178,290 and \$ 175,600 for the years ended June 30, 2013 and 2012, respectively.

Future minimum payments required under the above operating leases are approximately as follows:

Year Ending June 30,		
2014	\$	168,000
2015	\$	120,500
2016	\$	26,700
2017	\$	20,000

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013

(with comparative totals as of June 30, 2012)

NOTE 13 - COMMITMENTS AND CONTINGENCIES (continued)

Compensated absences:

Vacation is earned at various rates depending upon length of service. Sick time is earned by regular and full time employees at the rate of 10 days annually, and regular part-time employees who worked a minimum of 14 hours per week or more are entitled to sick time on a prorated basis. Under the Organization's policy, no more than two weeks of accrued vacation may be carried over from one year to the next. All employees are allowed to accumulate earned and unused sick time not to exceed 10 working days, and unused sick time is not paid in the event of employee termination. As of June 30, 2013 and 2012, the liability for accumulated vacation leave benefits amounted to \$ 72,466 and \$ 81,997, respectively, and was included in accrued liabilities on the statements of financial position.

Grants contingency:

Amounts received or receivable from federal, state and local grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the Organization. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be immaterial.

NOTE 14 - EMPLOYEE BENEFIT PLANS

Retirement Plan:

The Organization contributes to a defined 403(b) tax deferred annuity plan (the "Plan") covering substantially all employees that have provided a minimum of one year of service and a minimum of 1,000 hours per year. The Organization contributes 3% of an employee's salary to the Plan. Eligible employees may make voluntary contributions before completing one year of service. The Plan is administered by Lincoln Financial Group. The Organization contributed \$ 47,939 and \$ 65,645 to the Plan in 2013 and 2012, respectively.

Cafeteria Plan:

The Organization participates in a Cafeteria Plan (Section 125, as described in the Internal Revenue Code) covering all employees. Employees must have completed ninety days of employment and are working at least 30 hours per week to be eligible for the benefit. The plan provides health insurance coverage with the Organization paying 80% of the insurance cost of eligible employees. The Organization paid \$ 146,014 and \$ 169,305 to the Plan in 2013 and 2012, respectively.

SUPPLEMENTAL INFORMATION

WOMEN IN DISTRESS OF BROWARD COUNTY, INC
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Year Ended June 30, 2013

Federal/State Agency Pass-Through Grantor/ Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Expenditures
FEDERAL AGENCY NAME:			
Indirect Programs:			
U.S. Department of Health and Human Services -			
Passed through Florida Coalition Against Domestic Violence -			
Temporary Assistance for Needy Families (TANF)	* 93.558	13-2230	\$ 442,096
Temporary Assistance for Needy Families (TANF)	* 93.558	Shelter Supplies Award	233
Family Violence Prevention and Services (FVPSA)	93.671	13-2230	241,788
Family Violence Prevention and Services (FVPSA)	93.671	Shelter Supplies Award	<u>833</u>
Total U.S. Department of Health and Human Services			<u>684,950</u>
U.S. Department of Justice -			
Passed through Florida Coalition Against Domestic Violence -			
STOP Violence Against Women Formula Grant Program	16.588	Shelter Supplies Award	4,246
U.S. Department of Justice -			
Passed through State of Florida, Office of the Attorney General -			
Victims of Crime Act (VOCA); July 2010 through September 2010	16.575	V11158	32,406
Victims of Crime Act (VOCA); October 2010 through June 2011	16.575	V12158	<u>73,433</u>
Total U.S. Department of Justice			<u>110,085</u>
U.S. Department of Housing and Urban Development -			
Passed through Broward County -			
37th Year CDBG -Outreach Services for Victims of Domestic Violence:			
October 2011 through September 2012	14.218	-	7,916
38th Year CDBG -Outreach Services for Victims of Domestic Violence:			
October 2012 through September 2013	14.218	-	16,601
37th Year ESG - Emergency Shelter Program for Victims of Domestic			
October 2011 through September 2012	14.231	-	54,239
38th Year ESG - Emergency Shelter Program for Victims of Domestic			
Violence: October 2012 through September 2013	14.231	-	<u>5,088</u>
Total U.S. Department of Housing and Urban Development			<u>83,844</u>

See notes to schedule of expenditures of federal awards and state financial assistance.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
(continued)
For the Year Ended June 30, 2013

Federal/State Agency Pass-Through Grantor/ Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Expenditures
Community Development Block Grants passed through Cities -			
City of Plantation: January 2012 through December 2012	14.218	-	3,803
City of Plantation: January 2013 through December 2013	14.218	-	7,515
City of Hollywood: October 2011 through September 2012	14.218	-	6,321
City of Pompano: October 2012 through September 2013	14.218	-	<u>11,400</u>
Total U.S. Department of Housing and Urban Development			<u>29,039</u>
Corporation for National and Community Services -			
Passed through the Florida Commission on Community Service -			
Americorps Domestic Violence Prevention - September 2011 through August 2012	94.006	06AFHFL0010072	65,327
Americorps Domestic Violence Prevention - September 2012 through August 2013	94.006	06AFHFL0010072	<u>99,616</u>
Total Corporation for National and Community Services			<u>164,943</u>
Total expenditures of federal awards			<u>1,072,861</u>
STATE FINANCIAL ASSISTANCE:			
Florida Department of Children and Families (DCF) -			
Passed through Florida Coalition Against Domestic Violence			
Domestic Violence Trust Fund (DVTF)	**	13-2230	357,827
General Revenue	**	13-2230	463,280
Primary Prevention	**	13-2230	20,000
General Revenue	***	13-2230 CPI	58,585
General Revenue	**	Shelter Supplies Award	2,242
State Funded Fees	**	Shelter Supplies Award	<u>738</u>
Total Florida Department of Child and Families (DCF)			<u>902,672</u>
Total expenditures of state financial assistance			<u>902,672</u>
Total expenditures of federal awards and state financial assistance			<u>\$ 1,975,533</u>

* Denotes a major program

** Not subject to Florida Statutes, Section 215.97 Florida Single Audit Act.

*** CSFA number not available

See notes to schedule of expenditures of federal awards and state financial assistance.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
June 30, 2013

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Government and Non-Profit Organizations* and Chapter 10.650, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

INTERNAL CONTROLS AND COMPLIANCE



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Women in Distress of Broward County, Inc.
Deerfield Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Women in Distress of Broward County, Inc. (a not-for-profit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 25, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Women in Distress of Broward County, Inc.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
September 25, 2013



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
Women in Distress of Broward County, Inc.
Deerfield Beach, Florida

Report on Compliance for Each Major Federal Program

We have audited Women in Distress of Broward County, Inc.'s (a not-for-profit organization) (the "Organization") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major Federal programs for the year ended June 30, 2013. The Organization's major Federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control* over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida
September 25, 2013

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the financial statements of Women in Distress of Broward County, Inc.
2. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Women in Distress of Broward County, Inc. were disclosed during the audit.
4. No material weaknesses relating to the audit of the major Federal program are reported in the Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance with requirements applicable to the major Federal program for Women in Distress of Broward County, Inc. expresses an unmodified opinion.
6. There are no findings relative to the major Federal program for Women in Distress of Broward County, Inc. reported in Part C of this schedule.
7. The program tested as a major program is as follows:

Federal Program	Federal CFDA Number
Department of Health and Human Services - Temporary Assistance for Needy Families	93.558

8. The threshold for distinguishing Type A and Type B projects was \$ 300,000 for major Federal programs.
9. Women in Distress of Broward County, Inc. was determined to be a low risk auditee pursuant to OMB Circular A-133.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

NONE

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAM

NONE

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013

D. OTHER ISSUES

1. A separate management letter was not issued.
2. No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal programs or state financial assistance projects.
3. No corrective action plan is required because there were no findings required to be reported under the Federal Single Audit Act.