

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

June 30, 2012

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

We have audited the accompanying statement of financial position of Women in Distress of Broward County, Inc., (a not-for-profit organization) (the "Organization") as of June 30, 2012, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2011 financial statements and, in our report dated September 28, 2011, we expressed an unqualified opinion on those financial statements.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization at June 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2012, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Women in Distress of Broward County, Inc.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of Federal awards and state financial assistance, and related notes, are presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, Rules of the Auditor General, and are 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.

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida  
September 27, 2012

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.  
STATEMENT OF FINANCIAL POSITION  
June 30, 2012  
(with comparative totals as of June 30, 2011)

A S S E T S

	2012	2011
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 781,775	\$ 305,947
Investments	-	50,913
Grants receivable	309,595	396,396
Promises to give, net	580,279	945,718
Prepaid expenses and deposits	85,701	79,471
Inventory	66,076	78,728
Restricted cash	65,755	27,288
Beneficial interest in assets held by Community Foundation of Broward, Inc.	960,471	1,029,802
Property and equipment, net	8,796,153	8,822,387
Total assets	\$ 11,645,805	\$ 11,736,650

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

<b>LIABILITIES:</b>		
Accounts payable	\$ 49,204	\$ 373,187
Accrued liabilities	184,122	180,015
Deferred revenue	24,822	-
Mortgage note payable	2,071,709	-
Obligation under interest rate swap	219,933	-
Note payable	29,468	36,835
Lines of credit	75,980	1,467,014
Total liabilities	2,655,238	2,057,051

COMMITMENTS AND CONTINGENCIES (Note 13)	-	-
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<b>NET ASSETS:</b>		
Unrestricted	7,317,902	7,532,730
Temporarily restricted	760,676	1,234,880
Permanently restricted	911,989	911,989
Total net assets	8,990,567	9,679,599
Total liabilities and net assets	\$ 11,645,805	\$ 11,736,650

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, 2012  
(with comparative totals for the year ended June 30, 2011)

	2012			2011	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
<b>PUBLIC SUPPORT:</b>					
Grants from governmental agencies	\$ 2,326,303	\$ -	\$ -	\$ 2,326,303	\$ 2,441,065
Grants from corporations and foundations	284,917	19,014	-	303,931	422,792
United Way	120,545	-	-	120,545	164,042
Contributions from individuals and corporations	469,904	10,592	-	480,496	401,969
Capital campaign contributions	-	68,246	-	68,246	2,096,331
In-kind donations, thrift store	582,082	-	-	582,082	577,539
Other in-kind donations	580,056	-	-	580,056	526,109
Special events	388,449	-	-	388,449	231,170
<b>Total public support</b>	<b>4,752,256</b>	<b>97,852</b>	<b>-</b>	<b>4,850,108</b>	<b>6,861,017</b>
<b>REVENUE:</b>					
Thrift store	515,043	-	-	515,043	476,123
Investment earnings (loss)	66,101	(69,332)	-	(3,231)	168,192
Seminar and auditorium	4,386	-	-	4,386	865
Gain from disposition of property	66,148	-	-	66,148	2,441,792
Miscellaneous	96,992	-	-	96,992	6,718
<b>Total revenue</b>	<b>748,670</b>	<b>(69,332)</b>	<b>-</b>	<b>679,338</b>	<b>3,093,690</b>
Net assets released from restrictions	502,724	(502,724)	-	-	-
<b>Total public support, revenue and net assets related from restrictions</b>	<b>6,003,650</b>	<b>(474,204)</b>	<b>-</b>	<b>5,529,446</b>	<b>9,954,707</b>
<b>EXPENSES:</b>					
Program services:					
Residential	1,299,267	-	-	1,299,267	937,307
Outreach	1,870,442	-	-	1,870,442	1,716,647
Prevention and education services	566,083	-	-	566,083	593,844
Thrift store	1,016,300	-	-	1,016,300	994,948
<b>Total program services</b>	<b>4,752,092</b>	<b>-</b>	<b>-</b>	<b>4,752,092</b>	<b>4,242,746</b>
Supporting services:					
Fundraising	734,880	-	-	734,880	597,461
Management and general	511,573	-	-	511,573	612,323
<b>Total supporting services</b>	<b>1,246,453</b>	<b>-</b>	<b>-</b>	<b>1,246,453</b>	<b>1,209,784</b>
<b>Total expenses</b>	<b>5,998,545</b>	<b>-</b>	<b>-</b>	<b>5,998,545</b>	<b>5,452,530</b>
Total change in net assets before change in fair value of interest rate swap	5,105	(474,204)	-	(469,099)	4,502,177
Change in fair value of interest rate swap (Note 11)	219,933	-	-	219,933	-
<b>Change in net assets</b>	<b>(214,828)</b>	<b>(474,204)</b>	<b>-</b>	<b>(689,032)</b>	<b>4,502,177</b>
NET ASSETS, beginning of year,	7,532,730	1,234,880	911,989	9,679,599	5,177,422
NET ASSETS, end of year	<u>\$ 7,317,902</u>	<u>\$ 760,676</u>	<u>\$ 911,989</u>	<u>\$ 8,990,567</u>	<u>\$ 9,679,599</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, 2012  
(with comparative totals for the year ended June 30, 2011)

	Program Services				Supporting Services		Total	2011
	Residential	Outreach	Prevention and Education Services	Thrift Store	General Fundraising	Management and General		
<b>FUNCTIONAL EXPENSES:</b>								
Salaries	\$ 641,431	\$ 1,053,016	\$ 211,171	\$ 171,537	\$ 297,592	\$ 124,181	\$ 2,498,928	\$ 2,371,633
Member allowances	-	-	176,615	-	-	-	176,615	220,227
Employee benefits	115,458	209,678	81,438	39,454	53,567	21,111	520,706	551,501
<b>Total personnel costs</b>	<b>756,889</b>	<b>1,262,694</b>	<b>469,224</b>	<b>210,991</b>	<b>351,159</b>	<b>145,292</b>	<b>3,196,249</b>	<b>3,143,361</b>
<b>OTHER EXPENSES:</b>								
Occupancy	131,892	75,820	11,974	173,456	15,444	70,364	478,950	478,502
Other expenses	23,813	36,083	13,852	8,983	23,781	65,272	171,784	73,060
Professional fees	55,796	39,047	6,184	4,605	10,439	52,309	168,380	71,795
Supplies	59,496	11,054	11,738	3,908	3,598	12,198	101,992	106,447
Special events	-	-	-	-	73,360	-	73,360	33,810
Rental and maintenance of equipment	8,366	14,455	2,524	3,464	7,255	21,191	57,255	63,349
Contribution to participants	30,373	19,420	-	-	-	-	49,793	15,695
Telephone and cable	9,738	13,651	2,815	2,200	3,332	12,806	44,542	52,208
Travel - staff	2,435	5,204	18,278	2,005	889	10,868	39,679	46,905
Printing and publications	240	555	303	2,460	14,614	3,319	21,491	40,100
Membership dues/subscriptions	170	213	214	-	199	19,175	19,971	18,908
Auxiliary expenses	-	-	-	-	12,998	-	12,998	27,648
Postage and shipping	33	910	201	3	4,833	2,136	8,116	7,363
Conferences, conventions and meetings	75	578	280	74	466	3,545	5,018	8,178
Bad debt expense	-	-	-	-	-	1,588	1,588	154,351
<b>Total personnel and other expenses</b>	<b>1,079,316</b>	<b>1,479,684</b>	<b>537,587</b>	<b>412,149</b>	<b>522,367</b>	<b>420,063</b>	<b>4,451,166</b>	<b>4,341,680</b>
<b>IN-KIND EXPENSES:</b>								
Cost of goods sold	-	-	-	594,734	-	-	594,734	574,928
Supplies	77,594	100,161	-	-	178,212	2,000	357,967	200,457
Professional fees	7,927	214,163	-	-	-	-	222,090	197,056
<b>Subtotal</b>	<b>85,521</b>	<b>314,324</b>		<b>594,734</b>	<b>178,212</b>	<b>2,000</b>	<b>1,174,791</b>	<b>972,441</b>
Depreciation of property and equipment	134,430	76,434	28,496	9,417	34,301	89,510	372,588	138,409
<b>Total functional expenses</b>	<b>\$ 1,299,267</b>	<b>\$ 1,870,442</b>	<b>\$ 566,083</b>	<b>\$ 1,016,300</b>	<b>\$ 734,880</b>	<b>\$ 511,573</b>	<b>\$ 5,998,545</b>	<b>\$ 5,452,530</b>

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, 2012  
(with comparative totals for the year ended June 30, 2011)

	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (689,032)	\$ 4,502,177
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in fair value of interest rate swap	219,933	-
Provision for depreciation	372,588	138,409
Bad debt expense	1,588	144,404
Unrealized (gain) loss on investments and beneficial interest in assets held by Community Foundation of Broward, Inc.	69,332	(92,018)
Gain from disposition of property and equipment	(66,148)	(2,441,792)
Changes in assets and liabilities:		
(Increase) decrease in:		
Grants receivable	86,801	54,295
Promises to give	363,851	(664,946)
Prepaid expenses and deposits	(6,230)	5,465
Inventory	12,652	(2,611)
Increase (decrease) in:		
Accounts payable	(323,983)	287,162
Accrued liabilities	4,107	22,890
Deferred revenue	24,822	(1,500)
	70,281	1,951,935
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of investment	50,913	-
Proceeds from disposition of property and equipment	462,173	3,253,350
Purchase of property and equipment	(742,379)	(2,740,420)
	(229,293)	512,930
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Advances from lines of credit	1,687,707	200,000
Deposits to restricted cash	(38,467)	(8,777)
Principal payments on note payable	(7,367)	-
Principal payments on mortgage note payable	(28,291)	(2,325,000)
Principal payments on lines of credit	(978,742)	(769,482)
	634,840	(2,903,259)
Net change in cash and cash equivalents	475,828	(438,394)
CASH AND CASH EQUIVALENTS, beginning of year	305,947	744,341
CASH AND CASH EQUIVALENTS, end of year	\$ 781,775	\$ 305,947
Supplemental disclosure of cash flow information:		
Interest received	\$ 66,101	\$ 76,174
Interest paid	\$ 120,594	\$ 78,490
Supplemental disclosure of non-cash investing and financing activities:		
Conversion of line of credit to mortgage note payable	\$ 2,100,000	\$ -
Debt incurred in acquisition of property and equipment	\$ -	\$ 1,051,479

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, 2012  
(with comparative totals as of June 30, 2011)

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, 2012

(with comparative totals as of June 30, 2011)

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, 2012

(with comparative totals as of June 30, 2011)

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:

For the year ended June 30, 2011, restricted cash represented an interest reserve account that was been established as a condition of the Organization entering into a mortgage and line of credit agreement with a financial institution. The related debt was repaid as of June 30, 2011 and the restriction from the account was subsequently removed.

As of June 30, 2012 the Organization restricted cash represents funds for a contingent liability related to the sale of property (Note 4).

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.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

(with comparative totals as of June 30, 2011)

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

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.

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 \$ 500 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 of 5 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.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

(with comparative totals as of June 30, 2011)

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

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.

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 \$ 680 and \$ 9,170 for the years ended June 30, 2012 and 2011, 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.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2012

(with comparative totals as of June 30, 2011)

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

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, 2011, 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.

Reclassifications:

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

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 \$ 1,500,000 or 27% of total revenue and support for the year ending June 30, 2012. The Organization renewed its contract with FCADV for approximately \$ 1,585,000 through 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 27, 2012, which is the date the financial statements were issued.

**WOMEN IN DISTRESS OF BROWARD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2012  
(with comparative totals as of June 30, 2011)

**NOTE 2 - PROMISES TO GIVE**

At June 30, 2012 and 2011, unconditional promises to give consisted of the following:

	<u>2012</u>	<u>2011</u>
Receivable in less than one year	\$ 47,052	\$ 431,923
Receivable in one to five years	640,982	721,682
Receivable in more than five years	<u>22,500</u>	<u>27,175</u>
Total promises to give	<u>710,534</u>	<u>1,180,780</u>
Less allowance for doubtful promises to give	(112,372)	(205,192)
Present value discount	<u>(17,883)</u>	<u>(29,870)</u>
	<u>\$ 580,279</u>	<u>\$ 945,718</u>

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, 2012 and 2011, respectively.

**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 year ending June 30, 2011.

**NOTE 4 - PROPERTY AND EQUIPMENT**

Property and equipment consist of the following as of June 30, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Land	\$ 1,224,429	\$ 36,724
Building and improvements	7,212,391	1,277,591
Furniture and equipment	893,202	1,346,788
Vehicles	<u>106,719</u>	<u>106,719</u>
	<u>9,436,741</u>	<u>2,767,822</u>
Less accumulated depreciation	<u>(640,588)</u>	<u>(1,738,792)</u>
	<u>8,796,153</u>	<u>1,029,030</u>
Property not yet in service	<u>-</u>	<u>7,793,357</u>
	<u>\$ 8,796,153</u>	<u>\$ 8,822,387</u>



**WOMEN IN DISTRESS OF BROWARD COUNTY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2012  
 (with comparative totals as of June 30, 2011)

**NOTE 4 - PROPERTY AND EQUIPMENT (continued)**

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 are included in the statement of financial position as restricted cash as of June 30, 2012.

Depreciation expense was \$ 372,588 and \$ 138,409 for the years ended June 30, 2012 and 2011, respectively.

**NOTE 5 - THRIFT STORE**

Net Thrift Store proceeds provided by its daily operations were \$ 80,825 and \$ 58,714 for the years ended June 30, 2012 and 2011, respectively. Items given to participants were valued at \$ 79,698 and \$ 98,805 for the years ended June 30, 2012 and 2011, respectively.

	2012	2011
Thrift Store revenue (including donated items)	\$ 1,097,125	1,053,662
Expenses (including costs of goods sold)	(1,016,300)	(994,948)
Net proceeds provided by Thrift Store operations	\$ 80,825	\$ 58,714

**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, 2012 and 2011, as follows:

	2012	2011
Goods donated to WID	\$ 940,048	\$ 875,189
Professional Services	222,090	228,459
Total	\$ 1,162,138	\$ 1,103,648

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012  
(with comparative totals as of June 30, 2011)

NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods at June 30, 2012 and 2011:

	2012	2011
Deerfield Beach renovations	\$ 800,402	\$ 1,087,750
Direct Services - Children's and Social Change	19,014	55,112
Individual Donor Fund - Participants	10,592	-
Gain (loss) on endowment held at the Foundation	(69,332)	92,018
Total	\$ 760,676	\$ 1,234,880

NOTE 8 - PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets as of June 30, 2012 and 2011 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 entered into an agency endowment fund agreements with the Foundation. As of June 30, 2012 and 2011, the total fair value of the endowment funds which are held and controlled by the Foundation amounted to \$ 1,313,901 and \$ 1,408,640, 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's 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, 2012 and 2011 was \$ 65,936 and \$ 72,222, 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, 2012 and 2011, the fair value of the endowment fund amounted to \$ 960,471 and \$ 1,029,802, 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, 2012 and 2011, the fair value of the endowment fund at the Foundation amounted to \$ 353,431 and \$ 378,838, respectively.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2012  
 (with comparative totals as of June 30, 2011)

NOTE 10 - LINES OF CREDIT

The Organization previously entered into a revolving line of credit agreement with Bank Atlantic in the amount of \$ 500,000. This line of credit carried a variable rate of interest payable monthly at the lender's prime rate (3.25% through February 2012). In February 2012 this line of credit had a balance of \$475,000 which was fully repaid with funds obtained from a newly opened Northern Trust line of credit. Interest expense for the years ended June 30, 2012 and 2011 was \$ 11,913 and \$ 10,994, respectively.

On February 16, 2012 the Organization entered into a revolving line of credit agreement with Northern Trust in the amount of \$ 750,000. The line of credit carries a variable rate of interest payable monthly at the lender's prime rate (3.25% at June 30, 2012) and expires February 14, 2013. As of June 30, 2012 the balance outstanding was \$ 75,980. Interest expense for the year ended June 30, 2012 was \$ 6,575. This revolving line of credit establishes 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, 2012, the Organization was not in compliance with its minimum debt service coverage ratio and is in the process of obtaining a waiver from Northern Trust.

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. The 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. During the previous year, the note was partially repaid with proceeds from the sale of the Family Center property. The Organization then entered into an agreement with Northern Trust to modify the revolving credit line 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 and 2011, \$ 2,071,709 and \$ 1,042,014 respectively was outstanding. The Organization incurred and capitalized interest expense of \$ 12,574 and \$ 23,576 related to the construction in progress of the facility in Deerfield Beach during the years ended June 30, 2012 and 2011, respectively. 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% (2.745% at June 30, 2012) 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,	
2013	\$ 39,800
2014	\$ 42,200
2015	\$ 44,800
2016	\$ 47,200
2017	\$ 1,897,700

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2012  
 (with comparative totals as of June 30, 2011)

NOTE 11 - MORTGAGE NOTE PAYABLE (continued)

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% (2.745% as of June 30, 2012).

The fair value (obligation) of the Swap is based on a quote obtained from Northern Trust, which was quoted at \$ (219,933) as of June 30, 2012 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, 2012. However, it is management's intention to carry this transaction through maturity. Interest expense for the period ended June 30, 2012 in connection with the mortgage note and interest rate swap agreement amounted to approximately \$ 102,107.

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, 2012, the Organization was not in compliance with the minimum debt service coverage ratio and is in the process of obtaining a waiver from Northern Trust.

NOTE 12 - NOTE PAYABLE

During the year ended June 30, 2011, the Organization entered into a note payable 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,		
2013	\$	5,960
2014	\$	6,330
2015	\$	6,720
2016	\$	7,130

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.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2012  
 (with comparative totals as of June 30, 2011)

NOTE 13 - COMMITMENTS AND CONTINGENCIES (continued)

Total thrift store rent expense, which includes common area maintenance and copier equipment rental was approximately \$ 171,868 and \$ 226,600 for the years ended June 30, 2012 and 2011, respectively.

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

Year Ending June 30,		
2013	\$	180,300
2014	\$	168,000
2015	\$	120,500
2016	\$	26,700
2017	\$	20,000

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, 2012 and 2011, the liability for accumulated vacation leave benefits amounted to \$ 81,997 and \$ 78,082, 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% to 5% of an employee's salary to the Plan based upon the employee's length of service. Eligible employees may make voluntary contributions before completing one year of service. The Plan is administered by Lincoln Financial Group. The Organization contributed \$ 65,645 and \$ 67,973 to the Plan in 2012 and 2011, respectively.

WOMEN IN DISTRESS OF BROWARD COUNTY, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2012  
(with comparative totals as of June 30, 2011)

NOTE 14 - EMPLOYEE BENEFIT PLANS (continued)

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 25 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 \$ 169,305 and \$ 215,132 to the Plan in 2012 and 2011, 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, 2012

Federal/State Agency Pass-Through Grantor/ Federal Program/State Project	CFDA/ CSFA Number	Contract/Grant Number	Expenditures
<b>FEDERAL AGENCY NAME:</b>			
<b>Indirect Programs:</b>			
U.S. Department of Health and Human Services - Passed through Florida Coalition Against Domestic Violence - Temporary Assistance for Needy Families (TANF)	*	93.558	\$ 442,096
Family Violence Prevention and Services (FVPSA)	93.671	12-2230	<u>241,788</u>
Total U.S. Department of Health and Human Services			<u>683,884</u>
U.S. Department of Justice - Passed through Florida Coalition Against Domestic Violence - STOP Violence Against Women Formula Grant Program and the American Recovery and Reinvestment Act of 2009	16.588	12-2230-CPI-B	49,774
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	V10158	32,893
Victims of Crime Act (VOCA); October 2010 through June 2011	16.575	V11158	<u>81,084</u>
Total U.S. Department of Justice			<u>163,751</u>
U.S. Department of Housing and Urban Development - Passed through Broward County - 36th Year CDBG - Outreach Services for Victims of Domestic Violence: October 2010 through September 2011	14.218	-	2,843
37th Year CDBG -Outreach Services for Victims of Domestic Violence: October 2011 through September 2012	14.218	-	22,084
36th Year ESG - Emergency Shelter Program for Victims of Domestic Violence: October 2010 through September 2011	14.231	-	36,401
37th Year ESG - Emergency Shelter Program for Victims of Domestic Violence: October 2011 through June 2012	14.231	-	<u>8,865</u>
Total U.S. Department of Housing and Urban Development			<u>70,194</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, 2012

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: July 2011 through December 2011	14.218	-	7,722	
City of Plantation: January 2012 through June 2012	14.218	-	3,802	
Home Investment Partnerships Program passed through City -				
City of Hollywood: July 2011 through September 2011	14.239	-	6,844	
City of Hollywood: October 2011 through June 2012	14.239	-	14,749	
Total U.S. Department of Housing and Urban Development			<u>33,117</u>	
Corporation for National and Community Services -				
Passed through the Florida Commission on Community Service -				
Americorps Domestic Violence Prevention - September 2010 through August 2011	94.006	09RFHFL0010005	50,896	
Americorps Domestic Violence Prevention - September 2011 through August 2012	94.006	06AFHFL0010072	174,073	
Total Corporation for National and Community Services			<u>224,969</u>	
Total expenditures of federal awards			<u>1,175,915</u>	
STATE FINANCIAL ASSISTANCE:				
Florida Department of Children and Families (DCF) -				
Passed through Florida Coalition Against Domestic Violence				
Domestic Violence Trust Fund (DVTF)	*	NONE	12-2230	418,274
General Revenue	*	NONE	12-2230	377,833
Primary Prevention	*	NONE	12-2230	20,000
General Revenue	*	NONE	12-2230 CPI-A	15,749
Total Florida Department of Child and Families (DCF)			<u>831,856</u>	
Florida Attorney General				
Keds/Nine West Settlement Fund	NONE	-	995	
Total expenditures of state financial assistance			<u>832,851</u>	
Total expenditures of federal awards and state financial assistance			<u>\$ 2,008,766</u>	

\* Denotes a major program/project.

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, 2012

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 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 the financial statements of Women in Distress of Broward County, Inc. (a not-for-profit organization) (the "Organization") as of and for the year ended June 30, 2012, and have issued our report thereon dated September 27, 2012. 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.

Internal Control over Financial Reporting

Management of the Organization is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting 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 over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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.

This report is intended solely for the information and use of management, the Audit Committee, the Board of Directors, Federal and state awarding agencies and certain other grantor agencies, and is not intended to be and should not be used by anyone other than these specified parties.

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida  
September 27, 2012



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH  
MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR  
A-133 AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

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

Compliance

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* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on its major Federal program and state project for the year ended June 30, 2012. The Organization's major Federal program and state project are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major Federal program and state project is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.650, Rules of the Auditor General. Those standards, OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General 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 or state project 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. Our audit does not provide a legal determination on the Organization's compliance with those requirements.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major Federal program and state project for the year ended June 30, 2012.

Internal Control over Compliance

The management of the Organization is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to a Federal program or state project. In planning and performing our audit, we considered the Organization's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program or state project to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General, 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.

Women in Distress of Broward County, Inc.

*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 or state project 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 or state project will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Audit Committee, the Board of Directors, Federal and state awarding agencies and certain other grantor agencies, and is not intended to be and should not be used by anyone other than these specified parties.

KEEFE, McCULLOUGH & CO., LLP

Fort Lauderdale, Florida  
September 27, 2012

**WOMEN IN DISTRESS OF BROWARD COUNTY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended June 30, 2012

**A. SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unqualified 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 or state project 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 State Project and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General.
5. The auditors' report on compliance with requirements applicable to the major Federal program and state project for Women in Distress of Broward County, Inc. expresses an unqualified opinion.
6. There are no findings relative to the major Federal program or state project for Women in Distress of Broward County, Inc. reported in Part C of this schedule.
7. The program/project tested as a major program / project is as follows:

<b>Federal Program</b>	<b>Federal CFDA Number</b>
Department of Health and Human Services - Temporary Assistance for Needy Families	93.558
<b>State Project</b>	<b>State CSFA Number</b>
Department of Children and Families - Domestic Violence Trust Fund	-
General Revenue	-

8. The threshold for distinguishing Type A and Type B projects was \$ 300,000 for major Federal programs and state projects.
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 AND STATE FINANCIAL ASSISTANCE PROJECTS**

NONE



**WOMEN IN DISTRESS OF BROWARD COUNTY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended June 30, 2012

**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 or Florida Single Audit Act.