

**CHRISTIAN WOMEN'S JOB CORPS OF
MIDDLE TENNESSEE
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
YEARS ENDED DECEMBER 31, 2009 AND 2008**

**CHRISTIAN WOMEN'S JOB CORPS OF
MIDDLE TENNESSEE
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
YEARS ENDED DECEMBER 31, 2009 AND 2008**

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	2
Statements of Activities	3
Statements of Functional Expenses	4-5
Statements of Cash Flows	6
Notes to Financial Statements	7-12

BLANKENSHIP CPA GROUP, PLLC
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Christian Women's Job Corps of Middle Tennessee

We have audited the accompanying statements of financial position of Christian Women's Job Corps of Middle Tennessee (a Tennessee not-for-profit corporation, the "Organization") as of December 31, 2009 and 2008 and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christian Women's Job Corps of Middle Tennessee as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Blankenship CPA Group, PLLC

March 27, 2010

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2009 AND 2008

	2009	2008
ASSETS		
Cash and cash equivalents	\$ 371,955	\$ 220,066
Contributions receivable	1,350	14,775
Investments	155,931	288,130
Other assets	437	8,005
Furniture and equipment, net	<u>17,627</u>	<u>32,709</u>
TOTAL ASSETS	<u><u>\$ 547,300</u></u>	<u><u>\$ 563,685</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 5,226	\$ 7,299
Deferred special event revenue	<u>38,037</u>	<u>35,150</u>
Total Liabilities	<u>43,263</u>	<u>42,449</u>
NET ASSETS		
Unrestricted	489,123	512,595
Temporarily restricted	13,914	7,641
Permanently restricted	<u>1,000</u>	<u>1,000</u>
Total Net Assets	<u>504,037</u>	<u>521,236</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 547,300</u></u>	<u><u>\$ 563,685</u></u>

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

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Changes in Unrestricted Net Assets		
Revenues		
Contributions	\$ 281,450	\$ 295,582
Special event	154,130	192,489
ATR receipts	755	515
Investment income	11,891	6,052
	<u>448,226</u>	<u>494,638</u>
Total Unrestricted Revenues	448,226	494,638
Net assets released from restrictions	<u>28,727</u>	<u>60,000</u>
Total Unrestricted Revenues and Reclassifications	<u>476,953</u>	<u>554,638</u>
Functional Expenses		
Program services	<u>334,335</u>	<u>279,769</u>
Supporting services:		
Management and general	<u>102,250</u>	<u>86,140</u>
Fundraising	<u>39,669</u>	<u>52,412</u>
Special event direct costs	<u>24,171</u>	<u>25,459</u>
	<u>63,840</u>	<u>77,871</u>
Total Unrestricted Functional Expenses	<u>500,425</u>	<u>443,780</u>
(Decrease) increase in unrestricted net assets	<u>(23,472)</u>	<u>110,858</u>
Changes in Temporarily Restricted Net Assets		
Restricted contributions	35,000	7,641
Net assets released from restrictions	<u>(28,727)</u>	<u>(60,000)</u>
Increase (decrease) in temporarily restricted net assets	<u>6,273</u>	<u>(52,359)</u>
(DECREASE) INCREASE IN NET ASSETS	(17,199)	58,499
NET ASSETS, BEGINNING OF THE YEAR	<u>521,236</u>	<u>462,737</u>
NET ASSETS, END OF THE YEAR	<u><u>\$ 504,037</u></u>	<u><u>\$ 521,236</u></u>

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

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2009

		Supporting Services		
	Program Services	Management and General	Fund- raising	Total
Salaries and benefits	\$ 186,502	\$ 21,230	\$ 25,904	\$ 233,636
Facilities rent and utilities	93,737	32,360	8,000	134,097
Professional fees	-	23,910	-	23,910
Program costs	21,222	-	-	21,222
Depreciation	12,824	2,257	-	15,081
Administration	2,342	7,352	1,782	11,476
Office supplies and equipment	4,229	3,402	2,078	9,709
Network and computer administration	4,500	4,500	-	9,000
Telephone	2,515	1,899	900	5,314
GED	4,098	-	-	4,098
Janitorial	2,044	2,044	-	4,088
Insurance	322	3,296	-	3,618
Printing	-	-	1,005	1,005
Total expenses before special event direct costs	<u>334,335</u>	<u>102,250</u>	<u>39,669</u>	<u>476,254</u>
Donated items - special event	-	-	10,800	10,800
Special event direct cost	-	-	13,371	13,371
Total special event direct costs	<u>-</u>	<u>-</u>	<u>24,171</u>	<u>24,171</u>
Total expenses	<u><u>\$ 334,335</u></u>	<u><u>\$ 102,250</u></u>	<u><u>\$ 63,840</u></u>	<u><u>\$ 500,425</u></u>

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

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2008

		<u>Supporting Services</u>		
	<u>Program</u>	<u>Management</u>	<u>Fund-</u>	
	<u>Services</u>	<u>and</u>	<u>raising</u>	<u>Total</u>
		<u>General</u>		
Salaries and benefits	\$ 139,278	\$ 17,643	\$ 38,862	\$ 195,783
Facilities rent and utilities	93,737	32,360	8,000	134,097
Professional fees	-	22,972	-	22,972
Program costs	17,506	-	-	17,506
Depreciation	8,430	2,810	1,000	12,240
Administration	1,640	3,041	232	4,913
Office supplies and equipment	3,929	1,227	714	5,870
Network and computer administration	5,050	2,500	1,450	9,000
Telephone	2,659	1,348	1,348	5,355
GED	2,831	-	-	2,831
Janitorial	1,840	1,840	408	4,088
Insurance	1,099	323	322	1,744
Printing	1,770	76	76	1,922
	<u>279,769</u>	<u>86,140</u>	<u>52,412</u>	<u>418,321</u>
Total expenses before special event direct costs				
Donated items - special event	-	-	9,490	9,490
Special event direct cost	-	-	15,969	15,969
	<u>-</u>	<u>-</u>	<u>25,459</u>	<u>25,459</u>
Total special event direct costs				
Total expenses	<u>\$ 279,769</u>	<u>\$ 86,140</u>	<u>\$ 77,871</u>	<u>\$ 443,780</u>

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

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
(Decrease) increase in net assets	\$ (17,199)	\$ 58,499
Adjustments to reconcile (decrease) increase in net assets to net cash provided (used) by operating activities		
Depreciation	15,081	12,240
Donation of software	-	(31,582)
Unrealized (gain) loss on investments	(2,505)	6,235
Decrease (increase) in contributions receivable	13,425	(12,375)
Decrease (increase) in other assets	7,568	(5,002)
(Decrease) increase in accounts payable and accrued expenses	(2,073)	1,465
Increase (decrease) in deferred special event revenue	2,887	(43,839)
Net Cash Provided (Used) by Operating Activities	<u>17,184</u>	<u>(14,359)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sell of investments	54,105	9,497
Proceeds from the maturity of certificates of deposit	154,075	139,375
Purchase of certificates of deposit and reinvestment of interest	(7,745)	(254,022)
Purchase of investments	(65,730)	(36,423)
Purchase of furniture and equipment	-	(5,122)
Net Cash Provided (Used) by Investing Activities	<u>134,705</u>	<u>(146,695)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	151,889	(161,054)
CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>220,066</u>	<u>381,120</u>
CASH AND CASH EQUIVALENTS, END OF THE YEAR	<u><u>\$ 371,955</u></u>	<u><u>\$ 220,066</u></u>

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

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Christian Women's Job Corps of Middle Tennessee (the "Organization") is a Tennessee not-for-profit corporation that was chartered on February 4, 2003 to provide employment and life skills training and advocacy to women in poverty, particularly to women transitioning back into society after crisis situations. The Organization's primary program components include life and job skills training, computer education, GED preparation, and Bible study and spiritual support. Prior to the Organization's formation, its program was conducted as a ministry of the Nashville Baptist Association through the Women's Missionary Union. The Organization provides its services to women within the middle Tennessee area. The Organization is governed by a board of directors who each serve a three-year term of office with one-third of the members rotating annually. At least half of the members of the board must be members of Southern Baptist churches. The Organization is primarily supported by donations from churches, individuals, corporations, and special fundraising events.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

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 the reported amounts of assets, liabilities and changes therein and the disclosures of commitments and contingencies. Actual results could differ from those estimates.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. The Organization uses the allowance method to determine uncollectible unconditional contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire during 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.

Contributed Services

Various volunteers donate many hours to the Organization's program services and fundraising campaigns. These contributed services are not reflected in the financial statements since the services do not require specialized skills.

Investments

Investments are composed of certificates of deposit, equity securities, and mutual funds and are valued at quoted fair market price.

Furniture and Equipment and Depreciation

The Organization follows the practice of capitalizing, at cost, all expenditures for furniture and equipment in excess of \$1,000. Donations of furniture and equipment are recorded as revenues at their estimated fair value. Such donations are reported as unrestricted revenues unless the donor has restricted the donated asset to a specific purpose. When depreciable assets are disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain (except on trade-in) or loss is included in the statement of activities for the period. A gain on trade-in is applied to reduce the cost of the new acquisition. Depreciation is provided over the estimated useful life of three years and is computed on the straight-line method.

Deferred Special Event Revenue

Deferred special event revenue represents proceeds received in advance, net of related prepaid expenses, for the Organization's annual fundraiser which are not considered earned by the Organization (or expenses incurred) until after the event has been held.

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 3 - CONCENTRATION OF CREDIT AND MARKET RISK

The Federal Deposit Insurance Corporation (FDIC) insures deposits up to \$250,000 with each financial institution. The Organization maintains cash balances that at times, may exceed federally insured limits.

NOTE 4 - CONTRIBUTIONS RECEIVABLE

Contributions receivable are considered current since they are expected to be collected within one year. No allowance for uncollectible receivables was deemed necessary as of December 31, 2009 and 2008.

NOTE 5 - INVESTMENTS

The Organization's investments consist of the following at December 31:

	2009	2008
Certificates of deposit	\$ 104,446	\$ 250,775
Investments in Endowment:		
Cash funds	137	90
U.S. Government Agency Obligations	11,726	11,955
Preferred stock	4,040	2,510
Mutual funds	<u>35,582</u>	<u>22,800</u>
	<u>\$ 155,931</u>	<u>\$ 288,130</u>

The cash funds, U.S. Government agency obligations, preferred stock, and mutual funds are held by the Tennessee Baptist Foundation for the establishment of an endowment. Total investment income (loss) on these investments in endowment was \$3,834 and (\$4,657) for 2009 and 2008, respectively. This investment income (loss) includes unrealized gains (losses) of \$2,505 and (\$6,235) for 2009 and 2008, respectively. See Note 7 for information regarding the endowment.

The fair value of investments at December 31, 2009 is measured as follows:

Level 1 Inputs – Fair values are based on quoted prices (unadjusted) in active markets for identical assets that the Organization has the ability to access at the measurement date (e.g. prices derived from NYSE, NAADAQ or Chicago Board of Trade).

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 5 - INVESTMENTS (CONTINUED)

Level 2 Inputs – Fair values are based on inputs other than quoted price included within level 1 that are observable for valuing the asset or liability, either directly or indirectly (e.g. interest rate and yield curves observable at commonly quoted intervals, default rates, etc.). Observable inputs include quoted prices for similar assets or liabilities in active or non-active markets. Level 2 inputs may also include insignificant adjustments to market observable inputs.

Level 3 Inputs – Fair values are based on unobservable inputs used for valuing the asset or liability. Unobservable inputs are those that reflect the Organization's own assumptions about the assumptions that market participants would use in pricing the asset, based on the best information available in the circumstances. An example could be real estate valuations, which require significant judgment.

<u>Investment Category</u>	<u>Fair Value</u>	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>
Certificates of deposit	\$ 104,446	\$ 104,446	\$ -
Cash funds	137	-	137
U.S. Government Agency Obligations	11,726	-	11,726
Preferred stock	4,040	-	4,040
Mutual funds	35,582	-	35,582
Total	<u>\$ 155,931</u>	<u>\$ 104,446</u>	<u>\$ 51,485</u>

NOTE 6 - FURNITURE AND EQUIPMENT

Furniture and equipment consist of the following at December 31:

	2009	2008
Leasehold improvements	\$ 37,185	\$ 37,185
Equipment - computers	7,278	7,278
Equipment - office	4,634	4,634
Software	<u>39,237</u>	<u>39,237</u>
	88,334	88,334
Accumulated depreciation	<u>(70,707)</u>	<u>(55,625)</u>
	<u>\$ 17,627</u>	<u>\$ 32,709</u>

Depreciation expense was \$15,081 and \$12,240 for the years ended December 31, 2009 and 2008, respectively.

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 7 - RESTRICTIONS ON NET ASSETS

The temporarily restricted nets assets at year-end consist of contributions made for specific projects organized by the Organization. These will be released from restriction when the funds are used for the purpose designated by the donor.

Unrestricted net assets are available for various programs and administration of the Organization. Within unrestricted net assets, the Organization has designated funds for an endowment.

The permanently restricted net assets at year-end consist of contributions made to start the endowment fund. Currently, the earnings on the invested funds are being added to the designated portion of the endowment fund until such time the balance is sufficient to began using the earnings for operations. The Organization made contributions to the unrestricted – designated portion of the endowment of \$10,296 and \$28,339 during 2009 and 2008, respectively. The funds are held with the Tennessee Baptist Foundation as described in Note 5.

The balance in the endowment fund is as follows as of December 31:

	2009	2008
Unrestricted – designated	\$ 50,485	\$ 36,355
Permanently restricted	<u>1,000</u>	<u>1,000</u>
	<u>\$ 51,485</u>	<u>\$ 37,355</u>

NOTE 8 - LEASE OBLIGATIONS

The Organization has entered into a lease with The Next Door, Inc. ("TND"), a not-for-profit organization (formally known as the Downtown Ministry Center), for the fifth floor premises of a building located in downtown Nashville at which the Organization conducts its programs. The building is owned by First Baptist Church Nashville which, in turn, leases the building to TND. The sublease calls for monthly payments of \$600 to cover operating expenses through June 30, 2011. The lease may be cancelled by either party with six months written notice.

CHRISTIAN WOMEN'S JOB CORPS OF MIDDLE TENNESSEE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEARS ENDED DECEMBER 31, 2009 AND 2008

NOTE 9 - DONATED SERVICES AND MATERIALS

The following donated services and materials have been included in unrestricted revenues and expenses/assets in the financial statements for the years ended December 31:

	2009	2008
Included in contributions/expenses:		
Network and computer administration	\$ 9,000	\$ 9,000
Janitorial services	4,088	4,088
Interns	1,440	720
Marketing	4,300	-
Program costs	8,467	13,000
Rent	126,897	126,897
 Included in Special event income and Special event direct costs	 10,800	 9,490
 Included in contributions/assets:		
Other assets	-	5,500
Software	-	31,582
	<u>\$ 164,992</u>	<u>\$ 200,277</u>