SEXUAL ASSAULT CENTER

FINANCIAL STATEMENTS

June 30, 2012 and 2011

SEXUAL ASSAULT CENTER

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FRASIERDEAN
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Sexual Assault Center
Nashville, Tennessee

We have audited the accompanying statements of financial position of Sexual Assault Center (the "Center") (a nonprofit organization) as of June 30, 2012 and 2011 and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of the Center'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 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 Sexual Assault Center as of June 30, 2012 and 2011, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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 and state awards 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 other 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.

Frasier, Dean + Howard, PLLC

September 13, 2012

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SEXUAL ASSAULT CENTER
STATEMENTS OF FINANCIAL POSITION
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 518,797	$ 459,344
Investments	1,186,991	1,281,462
Grants receivable	58,494	63,918
Pledges receivable	151,370	168,483
Other receivables	7,018	6,721
Prepaid expenses and other	15,660	13,469
Land, building and equipment, net	2,760,862	2,848,252
Total assets	$ 4,699,192	$ 4,841,649
Liabilities and Net Assets		
Accounts payable and accrued expenses	$ 11,455	$ 9,554
Total liabilities	11,455	9,554
Net assets:		
Unrestricted:		
Undesignated	3,054,302	3,230,323
Board designated	59,027	19,027
Total unrestricted	3,113,329	3,249,350
Temporarily restricted	394,711	403,048
Permanently restricted	1,179,697	1,179,697
Total net assets	4,687,737	4,832,095
Total liabilities and net assets	$ 4,699,192	$ 4,841,649

See accompanying notes.

SEXUAL ASSAULT CENTER
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and other support:				
Individual and corporate gifts	$ 453,437	$ 2,283	$ -	$ 455,720
Grants	362,202	-	-	362,202
Counseling fees	213,606	-	-	213,606
Special events	181,576	14,500	-	196,076
United Way	-	119,541	-	119,541
Miscellaneous	84,941	-	-	84,941
Donated services and materials	49,386	-	-	49,386
Education	18,619	-	-	18,619
Investment loss	(46,020)	-	-	(46,020)
Net assets released from restrictions	144,661	(144,661)	-	-
Total revenue and other support	1,462,408	(8,337)	-	1,454,071
Expenses:				
Program services	1,351,075	-	-	1,351,075
Supporting services:				
Management and general	77,372	-	-	77,372
Fundraising	169,982	-	-	169,982
Total expenses	1,598,429	-	-	1,598,429
Change in net assets	(136,021)	(8,337)	-	(144,358)
Net assets, beginning of year	3,249,350	403,048	1,179,697	4,832,095
Net assets, end of year	$ 3,113,329	$ 394,711	$ 1,179,697	$ 4,687,737

See accompanying notes.

SEXUAL ASSAULT CENTER
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and other support:				
Grants	$ 419,686	$ -	$ -	$ 419,686
Individual and corporate gifts	361,707	5,825	-	367,532
Special events	206,900	-	-	206,900
Counseling fees	172,707	-	-	172,707
Investment income	162,879	-	-	162,879
United Way	416	119,241	-	119,657
Miscellaneous	73,207	-	-	73,207
Donated services and materials	49,458	-	-	49,458
Education	48,256	-	-	48,256
Net assets released from restrictions	287,795	(737,795)	450,000	-
Total revenue and other support	1,783,011	(612,729)	450,000	1,620,282
Expenses:				
Program services	1,305,319	-	-	1,305,319
Supporting services:				
Management and general	104,030	-	-	104,030
Fundraising	229,051	-	-	229,051
Total expenses	1,638,400	-	-	1,638,400
Change in net assets	144,611	(612,729)	450,000	(18,118)
Net assets, beginning of year	3,104,739	1,015,777	729,697	4,850,213
Net assets, end of year	$ 3,249,350	$ 403,048	$ 1,179,697	$ 4,832,095

See accompanying notes.

SEXUAL ASSAULT CENTER
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Change in net assets	$ (144,358)	$ (18,118)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	95,010	97,759
Realized and unrealized loss (gain) on investments	70,268	(135,563)
Decrease in grants receivable	5,424	38,064
Decrease in pledges receivable	17,113	134,580
(Increase) decrease in other receivables	(297)	5,610
(Increase) decrease in prepaid expenses and other	(2,191)	11,572
Increase (decrease) in accounts payable and accrued expenses	1,901	(4,226)
Decrease in deferred revenue	-	(11,670)
Net cash provided by operating activities	42,870	118,008
Cash flows from investing activities:		
Purchases of investments	(129,453)	(1,019,504)
Proceeds from sale of investments	153,656	611,205
Purchases of land, building and equipment	(7,620)	(138,425)
Net cash provided by (used in) investing activities	16,583	(546,724)
Net increase (decrease) in cash and cash equivalents	59,453	(428,716)
Cash and cash equivalents, beginning of year	459,344	888,060
Cash and cash equivalents, end of year	$ 518,797	$ 459,344

See accompanying notes.

SEXUAL ASSAULT CENTER
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2012

		Supporting Services			
	Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	$ 827,729	$ 43,214	$ 62,462	$ 105,676	$ 933,405
Benefits and taxes	173,086	8,354	10,615	18,969	192,055
Total salaries and related expenses	1,000,815	51,568	73,077	124,645	1,125,460
Temporary and professional services	59,040	7,509	8,072	15,581	74,621
Occupancy	59,277	3,188	1,237	4,425	63,702
Special event expense	-	-	55,278	55,278	55,278
Donated services	49,386	-	-	-	49,386
Equipment	31,481	1,896	3,125	5,021	36,502
Advertising and marketing	14,391	131	11,863	11,994	26,385
Supplies	14,614	3,266	646	3,912	18,526
Insurance	13,040	606	496	1,102	14,142
Professional development	5,512	4,545	817	5,362	10,874
Bad debt	-	-	10,325	10,325	10,325
Telephone	8,891	183	183	366	9,257
Licenses and fees	3,468	272	3,742	4,014	7,482
Local travel	850	8	121	129	979
Miscellaneous	50	400	50	450	500
Total expenses before depreciation	1,260,815	73,572	169,032	242,604	1,503,419
Depreciation	90,260	3,800	950	4,750	95,010
Total expenses	$ 1,351,075	$ 77,372	$ 169,982	$ 247,354	$ 1,598,429

See accompanying notes.

SEXUAL ASSAULT CENTER
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2011

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Supporting Services: Total Supporting Services	Total Expenses
Salaries	$ 757,754	$ 63,926	$ 102,187	$ 166,113	$ 923,867
Benefits and taxes	160,514	15,267	21,118	36,385	196,899
Total salaries and related expenses	918,268	79,193	123,305	202,498	1,120,766
Temporary and professional services	78,863	6,691	12,008	18,699	97,562
Occupancy	64,375	3,313	628	3,941	68,316
Special event expense	-	-	63,690	63,690	63,690
Donated services	49,458	-	-	-	49,458
Advertising and marketing	27,600	-	19,009	19,009	46,609
Supplies	19,170	2,001	948	2,949	22,119
Equipment	16,304	1,573	390	1,963	18,267
Insurance	13,219	346	505	851	14,070
Licenses and fees	5,391	4,206	4,067	8,273	13,664
Professional development	6,099	2,052	3,267	5,319	11,418
Telephone	7,730	374	68	442	8,172
Local travel	4,865	143	-	143	5,008
Miscellaneous	1,106	228	188	416	1,522
Total expenses before depreciation	1,212,448	100,120	228,073	328,193	1,540,641
Depreciation	92,871	3,910	978	4,888	97,759
Total expenses	$ 1,305,319	$ 104,030	$ 229,051	$ 333,081	$ 1,638,400

See accompanying notes.

SEXUAL ASSAULT CENTER
NOTES TO FINANCIAL STATEMENTS
June 30, 2012 and 2011

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

General

Sexual Assault Center (the "Center") was founded by volunteers in 1978 as a Tennessee not-for-profit corporation. The Center is the only organization in Middle Tennessee dedicated exclusively to serving victims of sexual assault. The Center offers specialized services for rape victims, child abuse victims, adult survivors and non-offending parents. These services include individual, group and family therapy, a 24-hour crisis line, hospital accompaniments, assessments and court preparation groups and an education outreach program to teach children, parents and teachers. Funding for the Center's services is provided principally by contracts with the Tennessee Department of Finance and Administration and Tennessee Department of Health, as well as from United Way and individual and corporate donations.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Financial statement presentation follows the recommendations of accounting and financial reporting standards prescribed for not-for-profit organizations. Accordingly, net assets of the Center, and changes therein are classified and reported as follows:

Unrestricted net assets:

Undesignated – Net assets that are not subject to donor-imposed stipulations or designated by the Center's board.

Designated – Net assets designated by the Center's board for particular purposes, presently designated by the board for funds held in reserve for future use.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Center and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that are to be maintained permanently by the Center.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and other support and expenses during the reporting period. Actual results could differ from those estimates.

Pledges Receivable

Contributions are recognized when the donor makes a promise to give to the Center that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Temporarily restricted contributions whose restrictions are met in the same year as received are reported as unrestricted contributions.

The Center uses the allowance method to determine uncollectible pledges receivable. The allowance is based on prior years' experience and management's analysis of specific pledges made.

Donated Goods and Services

The Center's policy is to record support and expenses for contributed services that require specialized skills and would be purchased if not provided by the donor at the fair value of services received. The Center records the value of services donated by graduate student interns, who see clients and assist with therapy and the crisis telephone line, based on the average wage rate of clinical therapists. The value of services donated by certain other individuals who are required to have specialized training before they may help answer the crisis telephone line and assist with hospital accompaniment is based on the minimum wage rate in effect. Donated services of $49,386 and $49,458 have been included in both revenue and expenses in the statements of activities and statements of functional expenses for the years ended June 30, 2012 and 2011, respectively.

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits with banks and time deposits with original maturities when purchased of three months or less.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments are reported at fair value as reported by the respective funds using quoted market prices. Net realized and unrealized gains and losses are reflected in the statements of activities.

Land, Building and Equipment

Land, building and equipment are stated at acquisition costs, or estimated fair market value if donated, less accumulated depreciation. Expenditures for ordinary maintenance and repairs are charged to expense. Renewals and betterments that materially extend the life of the asset are capitalized. Depreciation is computed on the straight-line method over estimated useful lives of the assets, which range from 3 to 40 years.

Program and Supporting Services – Functional Allocation

The following program and supporting services are included in the accompanying financial statements:

Program Services – include activities carried out to fulfill the Center's mission, resulting in services provided to victims of sexual assaults and their families. This includes counseling and therapeutic services through counseling, therapy, education and advocacy. Program services also include the support provided to victims by volunteers through responding to crisis hotline calls, assisting in hospital accompaniments and general marketing and an education program that teaches children, parents and teachers how to recognize and reduce the risks of sexual abuse.

Supporting Services:

Management and General – relates to the overall direction of the Center. These expenses are not identifiable with a particular program or with fundraising, but are indispensable to the conduct of those activities and are essential to the Center. Specific activities include organization oversight, business management, recordkeeping, budgeting, financing, information systems and technology, and other administrative activities.

Fundraising – includes costs of activities directed toward appeals for financial support, including special events. Other activities include the cost of solicitations and creation and distribution of fundraising materials.

Reclassification

Certain amounts from the 2011 financial statements have been reclassified to conform to with the 2012 presentation.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Center is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. Accordingly, no provision for income tax has been made.

The Center accounts for income taxes in accordance with income tax accounting guidance in Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") Topic 740, "Income Taxes." The guidance prescribes a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. The Center does not believe there were any uncertain tax positions at June 30, 2012 and 2011. Additionally, the Center has not recognized any tax related interest and penalties in the accompanying financial statements. Tax years that remain open for examination include years ended June 30, 2009 through June 30, 2012.

Endowment Funds

The not-for-profit topic of the FASB ASC clarifies that a nonprofit organization should classify the portion of a donor-restricted endowment fund that is not permanently restricted by the donor or by law as temporarily restricted net assets (time restricted) until it is appropriated for expenditure and donor-imposed purpose restrictions, if any, are met. When the purpose restrictions, if any, on the portion of donor-restricted endowment funds are met and the appropriation has occurred, temporarily restricted net assets are reclassified to unrestricted net assets. It also requires additional disclosures applicable to all nonprofit organizations, even if the organization is not yet subject to a version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). Those disclosures provide: a) a description of the organization's policies for making appropriations for expenditures from endowment funds (i.e. the organization's endowment spending policies), b) a description of the organization's investment policies for endowment funds, c) a description of the organization's endowment by net asset class at the end of the period in total and by type of endowment fund, d) a reconciliation of the beginning and ending balances of endowment funds in total and by net asset class, and e) a description of the organization's interpretation of the law(s) underlying the net asset classification of donor-restricted endowment funds.

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Values

The Center has an established process for determining fair values. Fair value is based upon quoted market prices, where available. If listed prices or quotes are not available, fair value is based upon internally developed models or processes that use primarily market-based or independently-sourced market data, including interest rate yield curves, option volatilities and third party information. There have been no changes in methodologies used at June 30, 2012 and 2011.

Valuation adjustments may be made to ensure that financial instruments are recorded at fair value. Furthermore, while the Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies, or assumptions, to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. Generally accepted accounting principles have a three-level valuation hierarchy for fair value measurements. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The three levels are explained as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset and liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement.

SEXUAL ASSAULT CENTER
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012 and 2011

NOTE 2 – INVESTMENTS

Investments and their fair value measurement consist of the following at June 30:

	Quoted Prices in Active Markets for Identical Assets (Level 1) 2012	Quoted Prices in Active Markets for Identical Assets (Level 1) 2011
Government and corporate bonds:		
Taxable funds	$ 476,432	$ 210,146
Treasury notes	-	30,882
Other fixed	19,938	240,277
Total government and corporate bonds	496,370	481,305
Mutual funds:		
Large cap	117,580	76,992
Other equity	104,638	226,625
Emerging markets	88,721	110,459
Internationally-developed	68,812	96,759
Equity real estate investment trusts	26,095	-
Total mutual funds	405,846	510,835
Individual common stocks:		
Information technology	43,970	40,289
Consumer discretionary	29,794	26,853
Financials	28,238	33,739
Healthcare	25,590	29,483
Energy	25,021	28,140
Industrials	23,335	25,435
Consumer staples	10,827	12,097
Materials	6,377	3,789
Utilities	4,817	5,970
Telecommunications services	4,636	4,083
Total individual common stocks:	202,605	209,878
Other investments	43,084	21,249
Money market funds – pending investment	39,086	58,195
Total investments at fair value	$ 1,186,991	$ 1,281,462

NOTE 2 – INVESTMENTS (Continued)

Investment (loss) income consists of the following for the years ended June 30:

	2012	2011
Interest and dividends	$ 24,248	$ 27,316
Unrealized and realized gain on investments	(70,268)	135,563
	$ (46,020)	$ 162,879

NOTE 3 – GRANTS RECEIVABLE

Grants receivable consist of the following at June 30:

	2012	2011
Tennessee Department of Finance & Administration	$ 52,143	$ 61,751
Tennessee Department of Health	6,351	2,167
	$ 58,494	$ 63,918

Grants receivable are reviewed periodically as to their collectability. Based on collection experience and management’s review, no allowance for doubtful accounts is considered necessary at June 30, 2012 and 2011.

NOTE 4 – PLEDGES RECEIVABLE

Pledges receivable consist of the following at June 30:

	2012	2011
United Way allocations and designations	$ 119,541	$ 119,241
Capital Campaign	31,829	49,242
Pledges receivable	$ 151,370	$ 168,483
Receivable in less than one year	$ 151,370	$ 163,483
Receivable in one to five years	$ -	$ 5,000

At June 30, 2011, pledges receivable are not reflected at their discount value as any discount would be insignificant.

SEXUAL ASSAULT CENTER
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2012 and 2011

NOTE 4 – PLEDGES RECEIVABLE (Continued)

Management believes that pledges receivable are fully collectible; therefore, no allowance for uncollectible pledges is considered necessary at June 30, 2012 or 2011.

NOTE 5 – LAND, BUILDING AND EQUIPMENT

Land, building and equipment consist of the following at June 30:

	2012	2011
Land	$ 552,618	$ 552,618
Building	1,959,280	1,959,280
Building improvements	321,046	313,426
Furniture and equipment	337,495	337,495
Artwork	8,605	8,605
	3,179,044	3,171,424
Less: accumulated depreciation	(418,182)	(323,172)
	$ 2,760,862	$ 2,848,252

Fully depreciated assets amounted to $46,708 at June 30, 2012 and $42,716 at June 30, 2011.

NOTE 6 – LINE OF CREDIT

The Center had a $50,000 line of credit, which matured April 1, 2012 and was not renewed. Interest was charged on the outstanding principal balance at the 30 Day LIBOR rate plus 4.84% on outstanding balances. The Center had not borrowed any amount under this line during 2012 or 2011.

NOTE 7 – RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets

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

	2012	2011
United Way funding – for following year	$ 119,541	$ 119,241
Contributions for capital campaign	260,670	283,807
Fundraising event – for following year	14,500	-
	$ 394,711	$ 403,048

NOTE 7 – RESTRICTIONS ON NET ASSETS (Continued)

Permanently restricted net assets

Building and equipment funds for the Center's prior location were solicited under the condition that pledges in excess of the cost of the building and equipment acquired would be used to establish a permanently restricted endowment fund.

In addition to the above, the Center solicited funds for its new building with the stipulation that any excess funds would be placed in a permanent endowment fund, the interest from which will be utilized to help fund operating costs of the new building. During the year ended June 30, 2011, $450,000 of the excess funds were released from temporarily restricted net assets to the permanently restricted endowment fund. At June 30, 2012 and 2011, amounts of $260,670 and $283,807, respectively, remain in temporarily restricted net assets due to continued finalization of construction and building repair costs and pledges from donors remaining outstanding.

Permanently restricted net assets consist of the following at June 30:

	2012	2011
Investments	$ 1,179,697	$ 1,179,697

As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the board of directors as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The UPMIFA was enacted in Tennessee effective July 1, 2007. The Center has interpreted the UPMIFA as requiring that the Center classify as permanently restricted net assets a) the original value of donor-restricted gifts to the permanent endowment, b) the original value of subsequent donor-restricted gifts to the permanent endowment, and c) accumulations (interest, dividends, capital gain/loss) to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are approved for expenditure by the Center in a manner consistent with the standard of prudence prescribed by UPMIFA.

NOTE 7 – RESTRICTIONS ON NET ASSETS (Continued)

In accordance with UPMIFA, the Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Center and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Center
- The investment policies of the Center

Endowment net asset composition by type of fund as of June 30, 2012:

	Unrestricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ 7,294	$ 1,179,697	$ 1,186,991
Board-designated endowment funds	-	-	-
Total funds	$ 7,294	$ 1,179,697	$ 1,186,991

Changes in endowment net assets for the year ended June 30, 2012:

	Unrestricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 101,765	$ 1,179,697	$ 1,281,462
Unrealized and realized gains on investments	(70,268)	-	(70,268)
Interest and dividends	24,248	-	24,248
Expenditures	(48,451)	-	(48,451)
Endowment net assets, end of year	$ 7,294	$ 1,179,697	$ 1,186,991

NOTE 7 – RESTRICTIONS ON NET ASSETS (Continued)

Endowment net asset composition by type of fund as of June 30, 2011:

	Unrestricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ 101,765	$ 1,179,697	$ 1,281,462
Board-designated endowment funds	-	-	-
Total funds	$ 101,765	$ 1,179,697	$ 1,281,462

Changes in endowment net assets for the year ended June 30, 2011:

Endowment net assets, beginning of year	$ 7,903	$ 729,697	$ 737,600
Unrealized and realized gains on investments	135,563	-	135,563
Interest and dividends	27,316	-	27,316
Expenditures	(69,017)	-	(69,017)
Released from temporarily restricted net assets	-	450,000	450,000
Endowment net assets, end of year	$ 101,765	$ 1,179,697	$ 1,281,462

The Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to provide a real total return, net of investment management fees, that is consistent with spending policy requirements. Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Center's investment policy is to generally maintain 50% in fixed income securities and 50% in equity securities.

The Center's policy is to withdraw approximately 5% of the balance a year or $15,000 of earnings on such funds each quarter for operations. However, if the amount of funds in the investment account is less than the permanently restricted net asset balance, no amount is withdrawn for operations.

NOTE 8 – OPERATING LEASES

Prior to fiscal 2011, the Center rented their Clarksville office space through an annual lease. The lease became a month-to-month lease in fiscal 2011, as the Center made the decision to close the Clarksville office effective September 30, 2010. Rent expense for the year ended June 30, 2011 under this lease totaled $1,867.

NOTE 9 – CONCENTRATIONS OF CREDIT RISK

The Center receives a substantial amount of its support from grants, state agencies and the United Way. Grant and United Way revenue comprised approximately 33% of total revenue during fiscal years 2012 and 2011. A significant reduction in the level of this support, if this were to occur, could have an adverse impact on the Center's programs and services.

During 2012 and 2011, the Center maintained deposit accounts with financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC"). At June 30, 2012 and 2011, non-interest bearing accounts held at FDIC insured institutions were fully insured, and interest bearing accounts were insured up to $250,000. Excess uninsured balances of the Center were approximately $6,500 and $0 at June 30, 2012 and 2011, respectively.

At June 30, 2012 and 2011, investments were managed by one brokerage and investment company with an account balance totaling $1,186,991 and $1,281,462, respectively. Investments in the account are invested in various stocks, bonds and mutual funds. Investments are not insured by FDIC or any other government agency and are subject to investment risk, including loss of principal. Investments are insured by the Securities and Investor Protection Corporation, which covers investor losses, in some cases, attributable to bankruptcy or fraudulent practices of brokerage firms.

NOTE 10 – EMPLOYEE BENEFIT PLAN

The Center maintains a 401(k) retirement plan. Under the terms of the plan, the Center may provide a matching contribution up to a maximum of 3% of each eligible employee's annual compensation (including bonuses, commissions and overtime). Employees are eligible to participate in the plan after one year of service and become fully vested after five years. Employer contributions for the years ended June 30, 2012 and 2011 totaled $14,155 and $14,910, respectively.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

The Center has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in disallowance of expenditures, management believes that any required reimbursements would not be significant. Accordingly, no provision has been made for potential reimbursements to the grantor.

As of June 30, 2012, the Center has received commitments for additional grant funding for the fiscal years ending June 30, 2013, 2014 and 2015 of $328,561 for each year.

NOTE 12 – COMMUNITY FOUNDATION OF MIDDLE TENNESSEE

The Community Foundation of Middle Tennessee (the "Foundation") maintains investments on behalf of the Center. The Foundation has ultimate authority and control over the investments; accordingly the net assets of the Center do not include these investments.

The Center does anticipate receiving periodic investment earnings on its pro-rata share of the Foundation's assets. The balance of the endowment fund held for the benefit of the Center totals $15,127 and $15,515 at June 30, 2012 and 2011, respectively.

NOTE 13 – SUBSEQUENT EVENTS

The Center evaluated subsequent events through September 13, 2012, when these financial statements were available to be issued. The Center is not aware of any significant events that occurred subsequent to the statement of financial position date but prior to the filing of this report that would have a material impact on the financial statements.

SUPPLEMENTARY DATA

SEXUAL ASSAULT CENTER
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2012

	CFDA No.	Pass through Grantor's Number	Balance Receivable June 30, 2011	Cash Receipts	Expenditures	Balance Receivable June 30, 2012
FEDERAL GRANTOR/PASS-THROUGH GRANTOR						
FEDERAL AWARDS						
U. S. Department of Justice						
Passed through TN Department of Finance & Administration:						
Assault Treatment & Support Program	16.575	VOCA No. 3972	$ 49,697	$ 296,670	$ 293,588	$ 46,615
Total for CFDA No. 16.575			49,697	296,670	293,588	46,615
Direct Intervention Services for Victims of Sexual Assault in Middle Tennessee	16.017	SASP No. 9480	1,807	16,865	18,020	2,962
Total for CFDA No. 16.017			1,807	16,865	18,020	2,962
Sexual Assault Program	16.588	STOP No. 4207	906	13,283	14,943	2,566
Total for CFDA No. 16.588			906	13,283	14,943	2,566
Support for Sexual Assault Victims	16.803	JAGARRA No. 3646	4,533	4,533	-	-
Total for CFDA No. 16.803			4,533	4,533	-	-
Support for Sexual Assault Victims	16.801	VOCAARRA No. 3907	4,808	4,808	-	-
Total for CFDA No. 16.801			4,808	4,808	-	-
U. S. Department of Health & Human Services						
Passed through TN Department of Health:						
Rape Prevention and Education Services	93.136	GR-11-33275-00	2,167	12,467	10,300	-
Rape Prevention and Education Services	93.136	GR-12-37391	-	19,000	25,351	6,351
Total for CFDA No. 93.136			2,167	31,467	35,651	6,351
Total Federal Financial Assistance			$ 63,918	$ 367,626	$ 362,202	$ 58,494

Note: The schedule of expenditures of federal and state awards has been prepared on the accrual basis of accounting.