

RECEIVED MAY 20 2005

**TENNESSEE COALITION AGAINST
DOMESTIC AND SEXUAL VIOLENCE**

FINANCIAL STATEMENTS

DECEMBER 31, 2004

TENNESSEE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE

TABLE OF CONTENTS

PAGE

Financial Section

Independent Auditor's Report	1-2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-10

Supplemental Information

Schedule of Federal and State Financial Assistance	11
Schedule of Expenditures of Federal Awards	12

Compliance and Internal Control

Independent Auditor's Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	13-14
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	15-16
Schedule of Findings and Questioned Costs	17

FINANCIAL SECTION

JOHN R. POOLE, CPA
CERTIFIED PUBLIC ACCOUNTANT

134 NORTHLAKE DRIVE
HENDERSONVILLE, TN 37075

(615) 822-4177

Independent Auditor's Report

To the Board of Directors of
the Tennessee Coalition Against Domestic and Sexual Violence
Nashville, Tennessee

I have audited the accompanying statement of financial position of the Tennessee Coalition Against Domestic and Sexual Violence (a nonprofit organization) as of December 31, 2004, 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. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted the audit in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial reporting contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Tennessee Coalition Against Domestic and Sexual Violence, as of December 31, 2004, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated April 25, 2005, on my consideration of Tennessee Coalition Against Domestic and Sexual Violence's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of the audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Tennessee Coalition Against Domestic and Sexual Violence taken as a whole. The accompanying Schedule of Federal and State Financial Assistance is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Tennessee Coalition Against Domestic and Sexual Violence. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

John R. Poole, CPA

April 25, 2005

TENNESSEE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE

Statement of Financial Position

December 31, 2004

Assets

Current assets:

Cash	\$	63,519
Grants receivable		192,086
Accounts receivable		24
Total current assets		<u>255,629</u>

Property and equipment at cost:

Office equipment		84,157
Less: accumulated depreciation		<u>75,065</u>
Net property and equipment		<u>9,092</u>

Total assets

\$ 264,721 ✓

Liabilities and Net Assets

Current liabilities:

Accounts payable	\$	11,174
Accrued expenses		6,220
Deferred revenues		<u>25,897</u>
Total current liabilities		<u>43,291</u>

Net assets:

Unrestricted		187,204
Temporarily restricted		<u>34,226</u>
Total net assets		<u><u>221,430</u></u> ✓

Total liabilities and net assets

\$ 264,721 ✓

TENNESSEE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE

Statement of Activities

For the year ended December 31, 2004

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue			
Public support:			
Grants - State and Federal	\$ 1,216,526	-	1,216,526
Grants	67,314	-	67,314
Conference fees	31,422	-	31,422
Memberships	8,250	-	8,250
Donations	9,671	-	9,671
Total public support	<u>1,333,183</u>	<u>-</u>	<u>1,333,183</u> + 822
Other Revenue			
Other revenue	516	-	516
Interest	159	147	306
Total other revenue	<u>675</u>	<u>147</u>	<u>822</u> ↑
Expenses:			
Program costs	1,255,455	-	1,255,455
Fundraising	5,140	-	5,140
Management and general	66,074	-	66,074
Total expenses	<u>1,326,669</u>	<u>-</u>	<u>1,326,669</u>
Increase (decrease) in net assets	<u>7,189</u>	<u>147</u>	<u>7,336</u>
Beginning of year net assets	180,015	34,079	214,094
End of year net assets	<u>\$ 187,204</u>	<u>34,226</u>	<u>221,430</u>

The accompanying notes are an integral part of these statements.

TENNESSEE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE

Statement of Functional Expenses

For the year ended December 31, 2004

	Program Services	Fund Raising	Management and General	Total
Salaries and wages	\$ 410,717	4,775	31,108	446,600
Employee benefits	89,285	365	4,944	94,594
Occupancy	41,553	-	4,070	45,623
Postage	6,306	-	216	6,522
Printing and publication	101,684	-	5,313	106,997
Telephone	17,017	-	896	17,913
Travel and meals	47,309	-	-	47,309
Supplies	40,117	-	2,230	42,347
Conferences and meetings	90,412	-	633	91,045
Membership fees	4,189	-	1,471	5,660
Contracted services	378,260	-	8,714	386,974
General insurance	-	-	4,973	4,973
Equipment rental and maintenance	21,460	-	1,130	22,590
Depreciation	7,146	-	376	7,522
Total expenses	\$ <u>1,255,455</u>	<u>5,140</u>	<u>66,074</u>	<u>1,326,669</u>

The accompanying notes are an integral part of these statements.

TENNESSEE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE

Statement of Cash Flows

For the year ended December 31, 2004

Cash flows from operating activities:	
Support and revenue received	\$ 1,197,148
Other income received	2,222
Cash paid for:	
Salaries and related expenses	(541,194)
Program and support services	(834,621)
Net cash provided by operating activities	<u>(176,445)</u>
Cash flows used by investing activities:	
Acquisition of office equipment	<u>-</u>
Net cash used by investing activities	<u>-</u>
Net decrease in cash	(176,445)
Cash and cash equivalents at beginning of year	239,964
Cash and cash equivalents at end of year	\$ <u><u>63,519</u></u>
Reconciliation of Increase in Net Assets to Net Cash Provided by Operating Activities	
Increase in net assets	\$ 7,336
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Depreciation	7,326
Changes in assets (increase) decrease:	
Grants and accounts receivable	(134,635)
Changes in liabilities increase (decrease)	
Accounts payable	3,466
Accrued expenses	945
Deferred revenue	(60,883)
Net cash provided by operating activities	\$ <u><u>(176,445)</u></u>

The accompanying notes are an integral part of these statements.

**TENNESSEE COALITION AGAINST
DOMESTIC AND SEXUAL VIOLENCE**

**Notes to the Financial Statements
December 31, 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Tennessee Coalition Against Domestic and Sexual Violence is a not-for-profit organization, whose mission is to end domestic and sexual violence in the lives of Tennesseans and to change societal attitudes and institutions which promote and condone violence through public policy advocacy, education, and activities which increase the capacity of programs and communities to address such violence.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and recommendations of the American Institute of Certified Public Accountants in its industry audit and accounting guide, "Not-for-Profit Organizations."

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Standards (SAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SAS No. 117, the Organization is required to report information regarding its financial position and activities according to the three classes of net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by the statement, the Organization has discontinued its use of fund accounting.

Contributions

In accordance with SAS 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

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 fiscal 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 reclassified to unrestricted net assets. The Organization did not have any permanently restricted net assets at December 31, 2004.

**TENNESSEE COALITION AGAINST
DOMESTIC AND SEXUAL VIOLENCE**

**Notes to the Financial Statements
December 31, 2004**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Donated Services

Tennessee Coalition Against Domestic and Sexual Violence receives many hours of donated time from various citizens. It is impractical to estimate a value for these services, as such no such value has been placed on these services in the Tennessee Coalition Against Domestic and Sexual Violence's financial statements.

Donor -Imposed Restrictions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods or donor-restricted for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor- stipulated time restriction is accomplished, then the restricted net assets are reclassified to unrestricted net assets. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

Depreciation

Depreciation is provided for over the estimated useful lives of the assets. Assets are depreciated using the straight-line method of depreciation.

Promises to Give/Pledges

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Functional Allocation of Expenses

The costs of providing the Tennessee Coalition Against Domestic and Sexual Violence's various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs may have been allocated among the programs and supporting services benefitted.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**TENNESSEE COALITION AGAINST
DOMESTIC AND SEXUAL VIOLENCE**

**Notes to the Financial Statements
December 31, 2004**

4. ECONOMIC DEPENDENCE

Approximately 91% of Tennessee Coalition Against Domestic and Sexual Violence's revenues for the year ended December 31, 2004, was from grants from various State of Tennessee and federal government departments .

5. OPERATING LEASE

The Organization leases office space. Rental expense for this operating lease was \$45,623 in 2004. Minimum lease payments under leases expiring subsequent to 2005 are:

<u>Year</u>	<u>Amount</u>
2005	\$ 44,730
2006	<u>44,730</u>
Total minimum lease payments	\$ <u>89,460</u>

6. CONTINGENCY

Amounts received from Grantor agencies are subject to audit and adjustment by Grantor agencies. Any disallowed claims including amounts already collected, could become a liability of the applicable fund.

SUPPLEMENTAL INFORMATION

Financial schedules are used to demonstrate finance related legal and contractual compliance, provide details of data summarized in the financial statements and present other information deemed useful.

TENNESSEE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE

Schedule of Expenditures of Federal and State Financial Assistance

For the Year ended December 31, 2004

CFDA#	Program Name	Grant #	Grantor Agency	Deferred (Receivable) Balance 12/31/03	Cash Receipts	Expenditures	Deferred (Receivable) Balance 12/31/04
N/A	Nine West Lawsuit Settlement	N/A	State of Tennessee - Department of Finance and Administration	45,719	-	40,685	5,034
93.671		2004-VF-GX-K013	U.S. Department of Justice	-	-	418	(418)
N/A	Victims of Crime State Coordinating Council	N/A	State of Tennessee Treasury Department Baccalaureate Education System Trust	(7,939)	100,000	89,510	2,551
93.671	Immigrant Legal Clinic Coalition		U.S. Department of Health and Human Services	-	-	53,607	(53,607)
93.671	Domestic Violence Coalition	90EV0314	U.S. Department of Health and Human Services	-	1,387	4,309	(2,922)
93.671	Domestic Violence Coalition	GR-04-15721-00	State of Tennessee Department of Criminal Justice	14,774	-	14,774	-
93.671	Domestic Violence Coalition	GR-05-16497-00	State of Tennessee Department of Criminal Justice	-	28,500	10,187	18,313
93.671	Rural Domestic Violence	GR-04-15941-00	State of Tennessee Department of Criminal Justice	(8,528)	400,740	467,104	(74,892)
93.671	Federal Domestic Violence and Sexual Assault Coalitions	2004-MU-AX-0053	U.S. Department of Justice	-	11,564	36,028	(24,464)
93.671	Federal Domestic Violence and Sexual Assault Coalitions	2003-MU-BX-0016	U.S. Department of Justice	(12,000)	138,590	126,590	-
93.671	STOP Violence Against Women Grant Award	Z-000-93857-00	State of Tennessee Department of Criminal Justice	(7,777)	75,180	67,403	-
93.671	STOP Violence Against Women Grant Award	Z-0000-1394-01	State of Tennessee Department of Criminal Justice	-	40,138	58,567	(18,429)
93.671	Domestic Violence Coalition	G-0301TNSDVC	U.S. Department of Health and Human Services	-	42,195	59,550	(17,355)
93.671	Domestic Violence Coalition	G-0301TNSDVC	U.S. Department of Health and Human Services	(19,594)	207,388	187,794	-
Total Federal and State Financial Assistance				4,655	1,045,682	1,216,526	(166,189)

The accompanying notes are an integral part of these statements.

TENNESSEE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE

Schedule of Expenditures of Federal Awards

For the year ended December 31, 2004

<u>Federal Financial Assistance Programs</u>	<u>Grantor Agency</u>	<u>CFDA Number</u>	<u>Expenditures</u>
Domestic Violence	U. S. Department of Justice	93.671	\$ 1,216,526
Total			\$ <u>1,216,526</u>

**COMPLIANCE AND
INTERNAL CONTROL**

JOHN R. POOLE, CPA
CERTIFIED PUBLIC ACCOUNTANT

134 NORTHLAKE DRIVE
HENDERSONVILLE, TN 37075

(615) 822-4177

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

To the Board of Directors of
the Tennessee Coalition Against Domestic and Sexual Violence
Nashville, Tennessee

I have audited the financial statements of the Tennessee Coalition Against Domestic and Sexual Violence as of and for the year ended December 31, 2004, and have issued a report thereon dated April 25, 2005. I conducted the audit in accordance with generally accepted auditing standards 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.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing the audit, I considered the Tennessee Coalition Against Domestic and Sexual Violence's internal control over financial reporting in order to determine the auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by

Page 2

employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

John R. Poole, CPA

April 25, 2005

JOHN R. POOLE, CPA
CERTIFIED PUBLIC ACCOUNTANT

134 NORTHLAKE DRIVE
HENDERSONVILLE, TN 37075

(615) 822-4177

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors of
the Tennessee Coalition Against Domestic and Sexual Violence
Nashville, Tennessee

Compliance

I have audited the compliance of the Tennessee Coalition Against Domestic and Sexual Violence with the types of compliance requirements described in the "*U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*" that are applicable to the major federal program for the year ended December 31, 2004. The Tennessee Coalition Against Domestic and Sexual Violence's major federal program is identified in the summary of the auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to the major federal program is the responsibility of the Tennessee Coalition Against Domestic and Sexual Violence's management. My responsibility is to express an opinion on the Tennessee Coalition Against Domestic and Sexual Violence's compliance based on my audit.

I conducted the audit of compliance in accordance with generally accepted auditing standards in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, "*Audits of States, Local Governments, and Non-Profit Organizations*". Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Tennessee Coalition Against Domestic and Sexual Violence's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that the audit provides a reasonable basis for my opinion. I believe that the audit does not provide a legal determination on the Tennessee Coalition Against Domestic and Sexual Violence's compliance with those requirements.

In my opinion, the Tennessee Coalition Against Domestic and Sexual Violence complied, in all material respects, with the requirements referred to above that are applicable to the major federal program for the year ended December 31, 2004.

Internal Control Over Compliance

The management of the Tennessee Coalition Against Domestic and Sexual Violence is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing the audit, I considered the Tennessee Coalition Against Domestic and Sexual Violence's internal control over compliance with requirements that could have a direct and material effect on the major federal program in order to determine the auditing procedures for the purpose of expressing the opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Jodi R. Poole, CPA

April 25, 2005

TENNESSEE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE

Schedule of Findings and Questioned Costs

December 31, 2004

I. Summary of Auditors' Results

- A. The December 31, 2004 Auditors' Report on the Financial Statements was an unqualified opinion.
- B. The audit did not disclose any noncompliance which is material to the financial statements.
- C. No reportable conditions in internal control over major programs were disclosed by the audit.
- D. The December 31, 2004 report on compliance for major programs was an unqualified opinion.
- E. No audit findings required to be reported under §.510a were noted.
- F. Major Program - Domestic Violence , Office of Justice Programs, U.S Department of Justice, CFDA # 93.671.
- G. The Tennessee Coalition Against Domestic and Sexual Violence was considered to be a low risk auditee.
- H. Type A programs have been distinguished as those programs with expenditures greater than \$300,000. The program, Domestic Violence , Office of Justice Programs, U. S. Department of Justice, CFDA # 93.671, met this threshold for the year ended December 31, 2004.

II. Findings Related to the Financial Statements Which are Required to be Reported in Accordance with Government Auditing Standards

None.

III. Findings related to Federal Award, Violence Against Women Grants Office, Office of Justice Programs, U.S Department of Justice, CFDA # 93.671.

None.