

BRIDGES OF WILLIAMSON COUNTY

JUNE 30, 2008 and 2007

Report

of

Examination

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## INDEPENDENT AUDITOR'S REPORT

December 16, 2008

BRIDGES of Williamson County  
Franklin, Tennessee

We have audited the accompanying statements of financial position of BRIDGES of Williamson County (a nonprofit organization) as of June 30, 2008 and 2007, and the related statements of activities 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 audit.

We conducted our audit 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 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 BRIDGES of Williamson County as of June 30, 2008 and 2007, 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules on pages 8 and 9 are presented for purposes of additional analysis and are 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 our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Parsons and Associates*

Parsons and Associates

BRIDGES of Williamson County  
Statement of Financial Position  
June 30

ASSETS

	<u>2008</u>	<u>2007</u>
<u>Current Assets</u>		
Cash	\$ 207,053	\$ 179,286
Prepaid expenses	3,166	3,858
Grants receivable	1,068	9,299
<u>Total Current Assets</u>	<u>211,287</u>	<u>192,443</u>
 <u>Property and Equipment</u> (at cost)		
Property and equipment (net of depreciation)	763,767	791,119
 <u>Total Assets</u>	 <u>\$ 975,054</u>	 <u>\$ 983,562</u>

LIABILITIES

<u>Current Liabilities</u>		
Accounts payable	\$ 1,413	\$ 540
Mortgage payable	0	79,602
Payroll liabilities	253	107
Deferred revenue	8,000	0
<u>Total Current Liabilities</u>	<u>9,666</u>	<u>80,249</u>
 <u>Total Liabilities</u>	 <u>9,666</u>	 <u>80,249</u>

NET ASSETS

<u>Unrestricted Net Assets</u>	920,870	861,049
<u>Temporarily Restricted Net Assets</u>	44,518	42,264
<u>Total Net Assets</u>	<u>965,388</u>	<u>903,313</u>
 <u>Total Liabilities and Net Assets</u>	 <u>\$ 975,054</u>	 <u>\$ 983,562</u>

See accompanying notes and accountant's report.

**BRIDGES of Williamson County**  
**Statement of Activities**  
**Year Ended June 30**

	<u>2008</u>		<u>2007</u>	
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
<u>Support and Other Revenues</u>				
Contributions	\$ 291,933	\$ 80,704	\$ 257,665	\$ 21,328
Government grants	115,575		118,446	39,500
Fund raiser	48,697		43,084	27,174
In-kind contributions	45,460	3,157	34,312	
Interest income	3,565		4,378	3,132
Other				980
Net assets released from restrictions	<u>81,607</u>	<u>( 81,607)</u>	<u>115,126</u>	<u>(115,126)</u>
<u>Total Support and Other Revenues</u>	<u>586,837</u>	<u>2,254</u>	<u>573,011</u>	<u>( 23,012)</u>
<u>Expenses</u>				
Program services	431,159		390,455	
Management and general	64,361		63,383	
Fundraising	<u>31,496</u>		<u>18,841</u>	
<u>Total Expenses</u>	<u>527,016</u>		<u>472,679</u>	
<u>Change in Net Assets</u>	59,821	2,254	100,332	( 23,012)
Net Assets - July 1	861,049	42,264	760,717	65,276
Net Assets - June 30	<u>\$ 920,870</u>	<u>\$ 44,518</u>	<u>\$ 861,049</u>	<u>\$ 42,264</u>

See accompanying notes and accountant's report.

BRIDGES of Williamson County  
Statement of Cash Flows  
Year Ended June 30

	<u>2008</u>	<u>2007</u>
<u>Cash flows from operating activities</u>		
Contributions	\$ 372,637	\$ 278,993
Grants and reimbursements	123,808	162,584
Fund raiser	56,697	66,258
Interest income	6,722	7,510
Other receipts	0	980
Cash paid for expenses	(159,650)	(154,015)
Cash paid for payroll and benefits	(292,845)	(255,777)
Net cash provided by operating activities	<u>107,369</u>	<u>106,533</u>
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	<u>0</u>	( 3,188)
<u>Cash flows from financing activities</u>		
Payments on mortgage	( 79,602)	( 84,319)
Increase (decrease) in cash	27,767	19,026
Cash - July 1	179,286	160,260
Cash - June 30	\$ <u><u>207,053</u></u>	\$ <u><u>179,286</u></u>

See accompanying notes and accountant's report.

**BRIDGES of Williamson County**  
**Notes to Financial Statements**  
**June 30, 2008 and 2007**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

BRIDGES of Williamson County was incorporated October 1998, in accordance with the Tennessee General Corporation Act. Its primary purpose is to serve area women, men and children affected by domestic violence ensuring a safe transition to successful independent community living through education, intervention, and case management.

**Basis of Accounting**

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**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements for Not-For Profit Organizations. Under SFAS No. 117, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of imposed restrictions. Accordingly, net assets of the Organization are classified and reported as follows:

**Unrestricted Net Assets**

Net assets that are not subject to imposed stipulations.

**Temporarily Restricted Net Assets**

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

**Permanently Restricted Net Assets**

Net assets subject to imposed stipulations that they be maintained permanently by the Organization. Generally, these assets permit the use of all or part of the income earned on any related investments for general or specific purposes. The Organization had no permanently restricted net assets at June 30, 2008 and 2007.

**Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of thirteen months or less to be cash equivalents.

BRIDGES of Williamson County  
Notes to Financial Statements  
June 30, 2008 and 2007

**Income Tax Status**

BRIDGES of Williamson County qualifies as a tax exempt organization under Internal Revenue Code Section 501(c)(3) and, therefore, has no provisions for federal income taxes. In addition, the Organization has been classified as an organization other than a private foundation under Section 509(a)(1).

**Concentration of Contribution**

The Organization received approximately 20% of its cash contributions from various local governments in 2008 and 31% in 2007.

**Deferred Revenue**

Income from fundraising events is deferred and recognized in the period in which it relates.

**NOTE 2 - DONATED SERVICES**

Donated services are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provide services throughout the year that are not recognized as contributions in the financial statements since the criteria for SFAS No. 116 are not met.

**NOTE 3 - DONATED SUPPLIES AND EQUIPMENT**

Donations of supplies and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in unrestricted net assets 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 contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets at that time.

**NOTE 4 - TEMPORARILY RESTRICTED NET ASSETS**

	<u>2008</u>	<u>2007</u>
Capital campaign	\$ <u>44,518</u>	\$ <u>42,264</u>



BRIDGES of Williamson County  
Notes to Financial Statements  
June 30, 2008 and 2007

**NOTE 5 - PROPERTY AND EQUIPMENT**

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Property and equipment are carried at cost or, if donated, at the appropriate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

	<u>2008</u>	<u>2007</u>
Building and improvements	\$ 786,936	\$ 786,936
Equipment and furniture	70,332	70,332
Accumulated depreciation	( 93,501)	( 66,149)
	\$ <u>763,767</u>	\$ <u>791,119</u>

**NOTE 6 - ESTIMATES**

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

**BRIDGES of Williamson County**  
**Schedule of Functional Expenses**  
**Year Ended June 30**

	2008				2007			
	Program Services	Management and General	Fund- raising	Total	Program Services	Management and General	Fund- raising	Total
Program services	\$ 31,012			\$ 31,012	\$ 36,014			\$ 36,014
Insurance	15,006	1,667		16,673	10,441	1,103		11,544
Fund raiser expenses			25,636	25,636			13,726	13,726
Occupancy expense	9,237			9,237	15,052			15,052
Rent - office	5,760			5,760	4,812			4,812
Interest	2,005			2,005	8,085			8,085
Small equipment purchases	8,200	2,100		10,300	4,684	739		5,423
Maintenance and repairs	5,847	2,169		8,016	2,768	2,426		5,194
Office expense and supplies	6,603	348		6,951	7,027	308		7,335
Contract labor				0	2,279			2,279
Publications and printing		3,096		3,096		3,546		3,546
Mileage, parking, travel	2,590	2,740		5,330		4,337		4,337
Telephone, utilities	25,603	8,534		34,137	25,538	8,513		34,051
Conferences and meetings		3,605		3,605		5,178		5,178
Payroll and benefits	257,832	29,299	5,860	292,991	225,078	25,577	5,115	255,770
Professional fees	39,035	1,310		40,345	6,911	2,259		9,170
Nursing services				0	18,152			18,152
Dues and subscriptions		3,289		3,289		3,476		3,476
Other		1,281		1,281		726		726
Depreciation	22,429	4,923		27,352	23,614	5,195		28,809
<b>Total</b>	<b>\$ 431,159</b>	<b>\$ 64,361</b>	<b>\$ 31,496</b>	<b>\$ 527,016</b>	<b>\$ 390,455</b>	<b>\$ 63,383</b>	<b>\$ 18,841</b>	<b>\$ 472,679</b>

See accompanying notes and accountant's report.

BRIDGES of Williamson County  
Schedule of Receipts and Expenditures - Actual to Budget  
Year Ended June 30

	2008			2007		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Receipts</u>						
Contributions	\$ 291,933	\$ 250,141	\$ 41,792	\$ 257,665	\$ 232,205	\$ 25,460
Contributions - capital campaign	80,704	0	80,704	21,328	0	21,328
Grants and reimbursements	115,575	124,002	( 8,427)	157,946	114,720	43,226
Fund raiser	48,697	48,478	219	70,258	43,500	26,758
Interest income	6,722	4,020	2,702	7,510	1,830	5,680
<u>Total Receipts</u>	<u>543,631</u>	<u>426,641</u>	<u>116,990</u>	<u>514,707</u>	<u>392,255</u>	<u>122,452</u>
<u>Expenditures</u>						
Program services	8,012	6,000	( 2,012)	6,514	5,000	( 1,514)
Insurance	16,673	13,200	( 3,473)	11,544	14,000	2,456
Fund raiser expenses	17,436	13,000	( 4,436)	13,726	11,000	( 2,726)
Occupancy expense	9,237	4,200	( 5,037)	15,052	5,100	( 9,952)
Office expense and supplies	6,951	7,020	69	7,335	7,800	465
Contract labor	0	0	0	2,279	0	( 2,279)
Interest expense	2,005	0	( 2,005)	8,085	0	( 8,085)
Publications and printing	3,096	3,510	414	3,546	3,000	( 546)
Mileage, parking, travel	5,330	4,500	( 830)	4,337	4,000	( 337)
Telephone and utilities	34,137	34,630	493	34,051	41,025	6,974
Equipment rental and maintenance	8,016	2,000	( 6,016)	5,194	1,000	( 4,194)
Equipment	1,800	1,000	( 800)	5,423	5,000	( 423)
Conferences and meetings	3,605	4,105	500	5,178	3,000	( 2,178)
Payroll and benefits	292,221	297,636	5,415	255,770	260,910	5,140
Professional fees	40,345	32,000	( 8,345)	27,322	27,690	368
Dues and subscriptions	3,289	3,095	( 194)	3,476	2,880	( 596)
Other	1,281	745	( 536)	726	850	124
<u>Total Expenditures</u>	<u>453,434</u>	<u>426,641</u>	<u>( 26,793)</u>	<u>409,558</u>	<u>392,255</u>	<u>( 17,303)</u>
<u>Receipts over (under) expenditures</u>	<u>\$ 90,197</u>	<u>\$ 0</u>	<u>\$ 90,197</u>	<u>\$ 105,149</u>	<u>\$ 0</u>	<u>\$ 105,149</u>

See accompanying notes and accountant's report.