

**BRIDGES OF WILLIAMSON COUNTY**

**JUNE 30, 2010 and 2009**

**Report  
of  
Examination**

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## INDEPENDENT AUDITOR'S REPORT

December 22, 2010

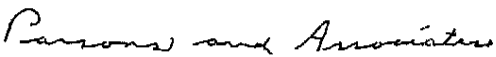
BRIDGES of Williamson County  
Franklin, Tennessee

We have audited the accompanying statements of financial position of BRIDGES of Williamson County (a nonprofit organization) as of June 30, 2010 and 2009, 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, 2010 and 2009, 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

BRIDGES of Williamson County  
Statement of Financial Position  
June 30

ASSETS

	<u>2010</u>	<u>2009</u>
<u>Current Assets</u>		
Cash	\$ 197,140	\$ 128,193
Prepaid expenses	4,934	5,683
Grants receivable	4,501	2,488
Interest income receivable	0	168
<u>Total Current Assets</u>	<u>206,575</u>	<u>136,532</u>
<u>Property and Equipment (at cost)</u>		
Property and equipment (net of depreciation)	851,325	764,692
<u>Total Assets</u>	<u>\$ 1,057,900</u>	<u>\$ 901,224</u>

LIABILITIES

<u>Current Liabilities</u>		
Accounts payable	\$ 5,404	\$ 0
Payroll liabilities	456	1,113
Deferred revenue	2,500	14,455
<u>Total Current Liabilities</u>	<u>8,360</u>	<u>15,568</u>
<u>Long-Term Obligations (due beyond one year)</u>		
Mortgage - building	130,000	0
<u>Total Liabilities</u>	<u>138,360</u>	<u>15,568</u>

NET ASSETS

<u>Unrestricted Net Assets</u>	919,540	885,656
<u>Total Liabilities and Net Assets</u>	<u>\$ 1,057,900</u>	<u>\$ 901,224</u>

See accompanying notes and accountant's report.

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

	<u>2010</u>		<u>2009</u>	
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>
<u>Support and Other Revenues</u>				
Contributions	\$ 350,784	\$ 0	\$ 252,535	\$ 11,850
Government grants	154,873		126,587	
Fund raiser	85,755		52,318	
In-kind contributions	27,700		37,730	
Interest income	963		2,967	
Other	730		443	
Net assets released from restrictions	0		56,368	( 56,368)
<u>Total Support and Other Revenues</u>	<u>620,805</u>	<u>0</u>	<u>528,948</u>	<u>( 44,518)</u>
<u>Expenses</u>				
Program services	488,157		470,170	
Management and general	63,659		73,564	
Fundraising	35,105		20,428	
<u>Total Expenses</u>	<u>586,921</u>		<u>564,162</u>	
<u>Change in Net Assets</u>	33,884		( 35,214)	( 44,518)
Net Assets - July 1	885,656	0	920,870	44,518
Net Assets - June 30	\$ <u>919,540</u>	\$ <u>0</u>	\$ <u>885,656</u>	\$ <u>0</u>

See accompanying notes and accountant's report.

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

	<u>2010</u>	<u>2009</u>
<u>Cash flows from operating activities</u>		
Contributions	\$ 350,784	\$ 270,840
Grants and reimbursements	152,860	125,166
Fund raiser	73,800	52,318
Interest income	1,131	2,799
Other receipts	730	443
Cash paid for expenses	(148,817)	(169,978)
Cash paid for payroll and benefits	(374,219)	(336,503)
Net cash provided by operating activities	<u>56,269</u>	<u>( 54,915)</u>
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	<u>(117,322)</u>	<u>( 23,945)</u>
<u>Cash flows from financing activities</u>		
Funds provided by mortgage	<u>130,000</u>	<u>0</u>
Increase (decrease) in cash	68,947	( 78,860)
Cash - July 1	128,193	207,053
Cash - June 30	\$ <u>197,140</u>	\$ <u>128,193</u>

See accompanying notes and accountant's report.

**BRIDGES of Williamson County**  
**Notes to Financial Statements**  
**June 30, 2010 and 2009**

**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, 2010 and 2009.

**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, 2010 and 2009**

**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 25% of its cash contributions from various local governments in 2010 and 27% in 2009.

**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.



BRIDGES of Williamson County  
Notes to Financial Statements  
June 30, 2010 and 2009

**NOTE 4 - 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.

	2010	2009
Building and improvements	\$ 933,203	\$ 815,882
Equipment and furniture	70,332	70,332
Accumulated depreciation	(152,210)	(121,522)
	\$ <u>851,325</u>	\$ <u>764,692</u>

**NOTE 5 - 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.

**NOTE 6 - DEBT**

The Organization has an interest only note that is payable to an individual on an annual basis. The note is secured by a lien of deed of trust with an interest rate which is adjustable annually on the anniversary date of the obligation with a current interest rate of 4.75%. The principal balance is payable in full on August 18, 2019 with no prepayment penalties after the first year.

Mortgage payable - June 30, 2010	\$ 130,000
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**BRIDGES of Williamson County**  
**Schedule of Functional Expenses**  
**Year Ended June 30**

	2010				2009			
	Program Services	Management and General	Fund- raising	Total	Program Services	Management and General	Fund- raising	Total
Program services	\$ 35,476			\$ 35,476	\$ 38,284			\$ 38,284
Insurance	13,221	1,381		14,602	12,917	1,128		14,045
Fund raiser expenses			31,369	31,369			17,046	17,046
Occupancy expense	8,820			8,820	8,802			8,802
Rent - office				0	5,760			5,760
Interest	5,403			5,403				0
Small equipment purchases		109		109	526	220		746
Maintenance and repairs	7,908	1,011		8,919	8,795			8,795
Office expense and supplies	4,346	2,141		6,487	4,627	2,087		6,714
Publications and printing		3,162		3,162		7,225		7,225
Mileage, parking, travel	2,438	2,437		4,875	2,627	2,628		5,255
Telephone, utilities	28,241	6,912		35,153	27,489	9,163		36,652
Conferences and meetings		2,252		2,252		4,825		4,825
Payroll and benefits	332,470	37,356	3,736	373,562	301,019	33,822	3,382	338,223
Professional fees	20,778	1,810		22,588	37,529	1,700		39,229
Dues and subscriptions		2,516		2,516		3,758		3,758
Other	393	546		939		783		783
Depreciation	28,663	2,026		30,689	21,795	6,225		28,020
<b>Total</b>	<b>\$ 488,157</b>	<b>\$ 63,659</b>	<b>\$ 35,105</b>	<b>\$ 586,921</b>	<b>\$ 470,170</b>	<b>\$ 73,564</b>	<b>\$ 20,428</b>	<b>\$ 564,162</b>

See accompanying notes and accountant's report.

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

	2010			2009		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Receipts</u>						
Contributions	\$ 350,784	\$ 256,398	\$ 94,386	\$ 252,535	\$ 303,186	\$ ( 50,651)
Contributions - capital campaign	0	0	0	11,850	0	11,850
Grants and reimbursements	154,873	155,328	( 455)	126,587	131,600	( 5,013)
Fund raiser	85,755	57,000	28,755	52,318	50,000	2,318
Interest income	963	2,500	( 1,537)	2,967	3,500	( 533)
Other	730	0	730	443	0	443
<u>Total Receipts</u>	<u>593,105</u>	<u>471,226</u>	<u>121,879</u>	<u>446,700</u>	<u>488,286</u>	<u>( 41,586)</u>
<u>Expenditures</u>						
Program services	7,776	7,500	( 276)	12,084	7,000	( 5,084)
Insurance	14,602	17,000	2,398	14,045	17,000	2,955
Fund raiser expenses	31,369	15,000	( 16,369)	17,046	15,500	( 1,546)
Occupancy expense	8,820	4,000	( 4,820)	8,802	4,000	( 4,802)
Office expense and supplies	6,487	7,000	513	6,714	7,000	286
Interest expense	5,403	0	( 5,403)	0	0	0
Publications and printing	3,162	6,500	3,338	7,225	4,000	( 3,225)
Mileage, parking, travel	4,875	4,000	( 875)	5,255	4,000	( 1,255)
Telephone and utilities	35,153	34,400	( 753)	36,652	34,400	( 2,252)
Equipment rental and maintenance	8,919	2,004	( 6,915)	8,795	7,400	( 1,395)
Equipment	109	400	291	746	500	( 246)
Conferences and meetings	2,252	4,000	1,748	4,825	4,000	( 825)
Payroll and benefits	373,562	361,733	( 11,829)	338,223	330,370	( 7,853)
Professional fees	22,588	24,724	2,136	39,229	48,876	9,647
Dues and subscriptions	2,516	3,600	1,084	3,758	3,490	( 268)
Other	939	1,000	61	783	750	( 33)
<u>Total Expenditures</u>	<u>528,532</u>	<u>492,861</u>	<u>( 35,671)</u>	<u>504,182</u>	<u>488,286</u>	<u>( 15,896)</u>
<u>Receipts over (under) expenditures</u>	<u>\$ 64,573</u>	<u>\$ ( 21,635)</u>	<u>\$ 86,208</u>	<u>\$ ( 57,482)</u>	<u>\$ 0</u>	<u>\$ ( 57,482)</u>

See accompanying notes and accountant's report.