

WOMEN'S CENTER OF SAN JOAQUIN COUNTY
(A Nonprofit Corporation)

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2006

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Women's Center of San Joaquin County
(A Nonprofit Organization)
Stockton, California

I have audited the accompanying statement of financial position of Women's Center of San Joaquin County (A Nonprofit Organization) as of June 30, 2006, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of Women's Center of San Joaquin County's management. My responsibility is to express an opinion on these financial statements based on my audit. The prior year summarized comparative information has been derived from the Organization's 2005 financial statements and, in my report dated December 13, 2005, I expressed an unqualified opinion on those financial statements.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. 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 provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Women's Center of San Joaquin County (A Nonprofit Organization) as of June 30, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Women's Center of San Joaquin County (A Nonprofit Organization), taken as a whole. The accompanying supplementary information on page 9 is presented for purposes of additional analysis 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 presented in all material respects in relation to the basic financial statements taken as a whole.

Stockton, California
November 9, 2006

WOMEN'S CENTER OF SAN JOAQUIN COUNTY
(A Nonprofit Corporation)

STATEMENT OF FINANCIAL POSITION

June 30, 2006

(with Comparative Totals for June 30, 2005)

ASSETS	<u>2006</u>	<u>2005</u>
Current assets		
Cash	\$ 23,323	\$ 33,502
Accounts receivable	350,093	392,643
Prepaid expenses	59,634	27,911
Investments (Note 2)	<u>323,771</u>	<u>303,862</u>
Total current assets	\$ 756,821	\$ 757,918
Property and equipment		
Land, buildings and equipment, net of accumulated depreciation of \$ 1,072,019 & 980,656 (Notes 3 & 4)	<u>599,068</u>	<u>656,757</u>
Total assets	<u>\$ 1,355,889</u>	<u>\$ 1,414,675</u>
 LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of mortgage payable (Note 4)	\$ 6,123	\$ 5,854
Line of credit	59,866	20,000
Accounts payable	32,662	32,301
Accrued expenses	46,412	57,423
Deferred income	<u>-</u>	<u>6,166</u>
Total current liabilities	\$ 145,063	\$ 121,744
Mortgage payable, less current portion (Note 4)	<u>99,669</u>	<u>104,685</u>
Total liabilities	<u>\$ 244,732</u>	<u>\$ 226,429</u>
 NET ASSETS		
Unrestricted		
Undesignated	\$ 601,081	\$ 534,379
Property and equipment	<u>493,276</u>	<u>546,218</u>
Total unrestricted net assets	\$ 1,094,357	\$ 1,080,597
Temporarily restricted	<u>16,800</u>	<u>107,649</u>
Total net assets	<u>\$ 1,111,157</u>	<u>\$ 1,188,246</u>
Total liabilities and net assets	<u>\$ 1,355,889</u>	<u>\$ 1,414,675</u>

See Notes to Financial Statements.

WOMEN'S CENTER OF SAN JOAQUIN COUNTY

(A Nonprofit Corporation)

STATEMENT OF ACTIVITIES

Year Ended June 30, 2006

(with Comparative Totals for Year Ended June 30, 2005)

CHANGES IN UNRESTRICTED NET ASSETS

	<u>2006</u>	<u>2005</u>
PUBLIC SUPPORT AND REVENUE		
Public Support		
Contributions & bequests	\$ 230,598	\$ 167,323
Special events - gross	114,886	93,403
Total public support	<u>\$ 345,484</u>	<u>\$ 260,726</u>
Revenue		
Contracts & grants	\$ 1,278,722	\$ 1,440,756
Investment income including unrealized gains & (losses)	20,101	16,843
Net contributed assets released from restrictions	107,649	15,045
Total revenue	<u>\$ 1,406,472</u>	<u>\$ 1,472,644</u>
Total public support and revenue	<u>\$ 1,751,956</u>	<u>\$ 1,733,370</u>
EXPENSES		
Program services		
Sexual assault	\$ 497,934	\$ 621,573
Domestic violence	565,075	517,118
Underserved	177,119	136,947
Dawn shelter	326,682	288,170
Total program services	<u>\$ 1,566,810</u>	<u>\$ 1,563,808</u>
Supporting services		
Management and general	\$ 54,465	\$ 195,415
Fund raising	116,921	117,753
Total supporting services	<u>\$ 171,386</u>	<u>\$ 313,168</u>
Total expenses	<u>\$ 1,738,196</u>	<u>\$ 1,876,976</u>
Increase (decrease) in unrestricted net assets	\$ 13,760	\$ (143,606)
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS		
Contributions	16,800	81,542
Net contributed assets released from restrictions	<u>(107,649)</u>	<u>(15,045)</u>
Increase (decrease) in net assets	\$ (77,089)	\$ (77,109)
NET ASSETS, beginning of year	<u>1,188,246</u>	<u>1,265,355</u>
NET ASSETS, end of year	<u>\$ 1,111,157</u>	<u>\$ 1,188,246</u>

See Notes to Financial Statements.

WOMEN'S CENTER OF SAN JOAQUIN COUNTY
STATEMENT OF FUNCTIONAL INCOME AND EXPENSES

Year Ended June 30, 2006

(with Comparative Totals for Year Ended June 30, 2005)

	Program Services					Supporting Services			Total June 30,		
	Sexual Assualt	Domestic Violence	Under-served	Dawn Shelter	Shared Costs	Total	Management and General	Fund Raising	Total	2006	2005
PUBLIC SUPPORT & REVENUE											
Contracts & grants	\$ 454,283	\$ 610,566	\$ 8,677	\$ 188,477	\$ -	\$ 1,262,003	\$ 11,981	\$ 4,738	\$ 16,719	\$ 1,278,722	\$ 1,440,756
Contributions & special events	18	2,000	26,953	17,700	-	46,671	(5,940)	321,553	315,613	362,284	342,268
Investment income	-	-	-	-	-	-	20,101	-	20,101	20,101	16,843
Total public support and revenue	\$ 454,301	\$ 612,566	\$ 35,630	\$ 206,177	\$ -	\$ 1,308,674	\$ 26,142	\$ 326,291	\$ 352,433	\$ 1,661,107	\$ 1,799,867
EXPENSES											
Wage Expense	\$ 297,544	\$ 256,754	\$ 36,681	\$ 160,761	\$ 1,805	\$ 753,545	\$ 114,503	\$ 51,834	\$ 166,337	\$ 919,882	\$ 1,087,438
Benefits	59,778	63,836	11,255	40,469	3,514	178,852	22,702	10,774	33,476	212,328	231,999
Relief Workers	14,477	69,024	21,694	16,896	24,125	146,216	-	23,999	23,999	170,215	81,379
Office Supplies	5,209	12,474	4,424	1,595	24,947	48,649	1,838	5,060	6,898	55,547	56,585
Utilities	-	850	9,995	18,436	11,776	41,057	1,949	-	1,949	43,006	39,061
Program Materials	7,318	31,897	660	1,262	32	41,169	751	581	1,332	42,501	51,586
Professional Fees	880	2,360	7,055	4,184	-	14,479	19,148	979	20,127	34,606	15,106
Communications	1,862	4,066	5,497	2,752	16,609	30,786	1,160	105	1,265	32,051	29,364
Repairs & Maintenance	-	-	2,945	9,619	10,432	22,996	-	1,330	-	22,996	25,448
Supplies	18	2,150	87	3,517	2,143	7,915	(11)	13,505	13,494	21,409	12,573
Insurance	1,521	-	-	11,184	-	12,705	8,387	-	8,387	21,092	32,620
Occupancy Expense	2,954	5,682	11,722	116	12,506	32,980	(12,364)	-	(12,364)	20,616	28,992
Conferences / Training / Mileage	7,324	6,098	1,290	1,118	102	15,932	3,611	868	4,479	20,411	21,131
Client Assistance	-	6,370	-	6,045	-	12,415	-	-	-	12,415	12,428
Interest Expense	-	-	-	-	-	-	4,757	-	4,757	4,757	4,577
Case Manager	1,476	1,606	-	1,008	-	4,090	(142)	-	(142)	3,948	7,865
Donor & Community Relations	-	81	150	130	-	361	1,897	1,602	3,499	3,860	3,506
Expendable Equipment	21	2,554	-	694	-	3,269	-	-	-	3,269	1,593
Unallowed Costs	500	500	115	-	-	1,115	1,713	35	1,748	2,863	4,034
Administrative Expense	29,587	39,482	53,823	29,517	(24,939)	127,470	(127,470)	-	(127,470)	-	-
Allocated Operating Costs	41,288	29,620	223	249	(83,052)	(11,672)	11,672	-	11,672	-	-
Other	68	258	-	-	-	326	(2,483)	118	(1,222)	(896)	8,194
Total expenses before depreciation	\$ 471,825	\$ 535,662	\$ 167,616	\$ 309,552	\$ -	\$ 1,484,655	\$ 51,618	\$ 110,790	\$ 162,408	\$ 1,646,876	\$ 1,755,479
Excess before depreciation	\$ (17,524)	\$ 76,904	\$ (131,986)	\$ (103,375)	\$ -	\$ (175,981)	\$ (25,476)	\$ 215,501	\$ 190,025	\$ 14,044	\$ 44,388
Depreciation	26,109	29,413	9,503	17,130	-	82,155	2,847	6,131	8,978	91,133	121,497
Total expenses after depreciation	\$ 497,934	\$ 565,075	\$ 177,119	\$ 326,682	\$ -	\$ 1,566,810	\$ 54,465	\$ 116,921	\$ 171,386	\$ 1,738,196	\$ 1,876,976
Excess of revenue over expenses	\$ (43,633)	\$ 47,491	\$ (141,489)	\$ (120,505)	\$ -	\$ (258,136)	\$ (28,323)	\$ 209,370	\$ 181,047	\$ (77,089)	\$ (77,109)

See Notes to Financial Statements.

WOMEN'S CENTER OF SAN JOAQUIN COUNTY
(A Nonprofit Corporation)

STATEMENT OF CASH FLOWS
Year Ended June 30, 2006
(with Comparative Totals for Year Ended June 30, 2005)

	2006	2005
Cash flows from operating activities		
Increase (decrease) in net assets	\$ (77,089)	\$ (77,109)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation & amortization	91,363	121,728
Unrealized (gain) loss on investments	(19,909)	(16,608)
Changes in assets and liabilities		
(Increase) Decrease in accounts receivable	42,550	(120,094)
(Increase) Decrease in prepaid expenses	(31,723)	(2,895)
(Decrease) Increase in accounts payable	361	8,905
(Decrease) Increase in accrued expenses	(11,011)	14,266
(Decrease) Increase in deferred income	(6,166)	6,166
Net cash provided by (used in) operating activities	\$ (11,624)	\$ (65,641)
Cash flows from investing activities		
Purchase of capital assets	\$ (33,674)	\$ (86,466)
Cash addition to investments	-	(8,110)
Net cash used in investing activities	\$ (33,674)	\$ (94,576)
Cash flows from financing activities		
Principal payments on mortgage note	\$ (4,747)	\$ (5,788)
Borrowings on line of credit	95,000	30,000
Payments on line of credit	(55,134)	(10,000)
Net cash provided by financing activities	\$ 35,119	\$ 14,212
Net increase (decrease) in cash and cash equivalents	\$ (10,179)	\$ (146,005)
Cash and cash equivalents:		
Beginning	33,502	179,507
Ending	\$ 23,323	\$ 33,502

Supplemental disclosures of cash flows information

Cash payments for: Interest	\$ 7,962	\$ 4,533
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See Notes to Financial Statements.

WOMEN'S CENTER OF SAN JOAQUIN COUNTY NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Business and Significant Accounting Policies

Women's Center of San Joaquin County is a nonprofit California corporation organized to provide educational and charitable services to women, children and men. Services include sexual assault and domestic violence counseling and advocacy, domestic violence shelter, transitional housing, information and referral, prevention, parenting and outreach.

Program Descriptions:

Sexual Assault: The Sexual Assault program provides comprehensive services for victims of sexual assault in San Joaquin County. Services include 24-hour crisis line and response to sexual assault victims, advocacy including personal accompaniment to law enforcement agencies, hospitals and social service providers and court proceedings. Temporary Restraining Order assistance, legal justice system information is provided to victims of sexual assault. Individual and peer counseling in English, Spanish, and Southeast Asian dialects are available to sexual assault victims. Support groups for survivors of sexual assault. Provides age appropriate workshops and a self-defense class to children, teens, teachers, and parents regarding sexual assault prevention.

Domestic Violence: The Domestic Violence program provides comprehensive services for victims of domestic violence. Services include a 24-hour crisis line as well as personal accompaniment to victims of domestic violence. Temporary Restraining Order assistance is offered as well as legal and justice system information or information and referrals to other appropriate agencies. Peer counseling in English, Spanish and Southeast Asian dialects is available either one on one or in a support group setting. Presentations about agency services and domestic violence prevention and education are provided to children, teens, teachers, civic groups, churches and classrooms in an age appropriate method.

TREE House, Tracy Shelter: Established in 1998, the Tracy Women's Center serves South County residents. Through a public office, all Women Center services are provided by certified staff and volunteers. In August 2003, the Tracy refuge for empowerment and education (TREE House) emergency shelter opened the door to serve battered women and their children. These individuals can spend up to 60 days while participating in crisis intervention programs.

Dawn House, Stockton Shelter: DAWN House provides temporary emergency shelter for battered women and their children. Victims may stay in DAWN House for up to 60 days while participating in supportive programming including life skills training, support groups and individual counseling, "Just For Kids" children's Program, "Just For Moms" parenting program, referral services and employment readiness.

Revenue Recognition:

A substantial portion of program revenues are derived from government contracts and grants. In accordance with the contract or grant provisions, revenues are recognized as expenses are incurred by the programs. Accounts receivable represents reimbursements due from the contracting or granting entities. Deferred revenue represents amounts received in advance of expenditure for the specific purpose. A significant reduction in the level of this support could affect the Center's programs.

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Line of Credit:

The Women's Center has a line of credit of \$100,000 with a local bank. The balance of the line at June 30, 2006 was \$59,866 and was paid down to \$33,008 in August, 2006.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Buildings and Equipment:

Purchased buildings, improvements and equipment are stated at cost. Donated equipment is stated at the estimated fair market value at the date of donation. Depreciation is computed by the straight-line method over useful lives ranging from five to thirty-one years.

Comparative Totals:

Certain reclassifications have been made to the prior year to conform to the current year's presentation.

Recognition of Restricted Contributions:

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Included in temporarily restricted net assets are restrictions for a specific grant. At June 30, 2006, \$ 16,800 was restricted for the fall event.

Taxes:

The Women's Center of San Joaquin County is exempt from federal income taxes under IRC Sec. 501 (c)(3) and state income tax under section 23701 of the California Revenue and Taxation Code.

Donated Services:

No amounts have been reflected in the statements for donated services since an objective basis is not available to measure the value of such services; however, a substantial number of volunteers have donated their time in the Center's program services and its fund raising campaigns.

Allocation of Expenses:

The Center allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural classification. Other expenses that are common to several functions are allocated among the programs and support services benefited.

NOTES TO FINANCIAL STATEMENTS

Note 2. Investments and Cash

Investments are stated at market value (original cost \$156,111)
and consist of the following:

Mutual funds	\$ 142,757
Annuities	<u>181,014</u>
	<u><u>\$ 323,771</u></u>

Cash in bank at times exceeded the federal insurance limit of \$100,000.

Note 3. Land, Building and Equipment

A summary of land, building and equipment follows:

Equipment and furniture	\$ 353,945
Building improvements	856,484
Buildings	363,168
Land & improvements	<u>97,490</u>
	\$ 1,671,087
Less accumulated depreciation	<u>1,072,019</u>
	<u><u>\$ 599,068</u></u>

Note 4. Mortgage Payable

Mortgage payable to Farmers & Merchants Bank due in monthly installments of \$ 974 including interest (variable, now at 6.1%) through July, 2009, when a balloon payment will be due. The mortgage is secured by land & building.

\$ 105,792

Maturities of long-term debt under the new mortgage are as follows:

Year ending June 30,	
2007	\$ 6,123
2008	6,404
2009	6,698
2010	<u>86,567</u>
	<u><u>\$ 105,792</u></u>

Total interest expense on this debt for the year was \$ 6,819

WOMEN'S CENTER OF SAN JOAQUIN COUNTY

SCHEDULE OF O.E.S. GRANTS

Year Ended June 30, 2006

	State OES RC 05251101		State OES RC 04241101		State OES DV 05201101		State OES DV 04191101	
	Cash	Match	Cash	Match	Cash	Match	Cash	Match
PUBLIC SUPPORT & REVENUE								
Contracts & grants - nonfederal	\$ 68,003	\$ -	\$ -	\$ -	\$ 32,117	\$ 3,212	\$ -	\$ -
Contracts & grants - federal	175,836	43,959	5,050	1,263	167,953	40,690	12,272	3,068
Service fees & investment income	-	-	-	-	-	-	-	-
Total Public Support and Revenue	\$ 243,839	\$ 43,959	\$ 5,050	\$ 1,263	\$ 200,070	\$ 43,902	\$ 12,272	\$ 3,068
EXPENSES								
Personnel	\$ 206,536	\$ 43,959	\$ -	\$ -	\$ 157,699	\$ 43,902	\$ -	\$ -
Operating expenses	37,303	-	5,050	1,263	42,371	-	12,272	3,068
Equipment purchases	-	-	-	-	-	-	-	-
Total program expenditures	\$ 243,839	\$ 43,959	\$ 5,050	\$ 1,263	\$ 200,070	\$ 43,902	\$ 12,272	\$ 3,068