

**WOMEN ROCK, INC.
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2013**

Women Rock, Inc.
For the Year Ended December 31, 2013

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Susan LaFollett, CPA – Partner
Rod Abbott, CPA – Partner

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Women Rock, Inc.

We have audited the accompanying financial statements of Women Rock, Inc. (Women Rock) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Women Rock, Inc. as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Lafollett and Abbott PLLC

Tom Bean, Texas
November 2, 2014

Women Rock, Inc.
Statement of Financial Position
December 31, 2013

Assets	
Current Assets	
Cash and cash equivalents	\$ 110,870
Accounts receivable (net)	2,404
Total Current Assets	<u>113,274</u>
Property and Equipment (net)	<u>8,170</u>
Total Assets	<u><u>\$ 121,444</u></u>
Liabilities and Net Assets	
Total Liabilities	<u>\$ -</u>
Net Assets	
Temporarily restricted net assets	16,377
Unrestricted net assets	105,067
Total Net Assets	<u>121,444</u>
Total Liabilities and Net Assets	<u><u>\$ 121,444</u></u>

The accompanying notes are an integral part of these financial statements.

Women Rock, Inc.
Statement of Activities
For the Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Totals
Support and Revenues			
Fund Raising:			
Bras for a Cause	\$ 104,224	\$ -	\$ 104,224
Susan Hicks Memorial 5K Run	23,520	-	23,520
Other fund raising events	16,281	17,777	34,058
Total fund raising	144,025	17,777	161,802
Local contributions	32,018	-	32,018
Product sales	11,336	-	11,336
Net transfers that met restrictions	3,342	(3,342)	-
Total Support and Revenues	190,721	14,435	205,156
 Expenses			
Program services	65,591	-	65,591
Support services:			
Administrative	32,701	-	32,701
Product sales	13,389	-	13,389
Fund raising	56,521	-	56,521
Total Expenses	168,202	-	168,202
 Change in net assets	22,519	14,435	36,954
Net Assets, beginning of year	79,206	1,942	81,148
Net Assets, end of year	\$ 101,725	\$ 16,377	\$ 118,102

The accompanying notes are an integral part of these financial statements.

Women Rock, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2013

	Support Services						Total
	Program Services	Administrative	Product Sales	Bras for a Cause	Fund Raising		
					Susan Hicks Memorial 5K Run	Other Fund Raising	
Images of Hope	\$ 37,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,088
Salaries	12,534	6,267	-	7,834	4,700	-	31,335
Donated In-Kind	-	-	-	16,600	-	-	16,600
Product sales	-	-	13,389	-	-	-	13,389
Fund Raising	-	-	-	1,777	3,759	5,344	10,880
Provisions of Hope	10,711	-	-	-	-	-	10,711
Office supplies	-	10,506	-	-	-	-	10,506
Rent	-	5,570	-	3,999	-	-	9,569
Meals	-	263	-	4,242	-	-	4,505
Miscellaneous	275	412	-	2,620	-	-	3,307
Advertising	2,123	1,139	-	-	-	-	3,262
Printing	-	390	-	2,304	-	-	2,694
Materials - promotional and educational	2,560	-	-	-	-	-	2,560
Insurance	-	1,469	-	-	-	-	1,469
Telephone and utilities	-	1,385	-	-	-	-	1,385
Conferences	300	782	-	-	-	-	1,082
Postage	-	1,042	-	-	-	-	1,042
Professional fees	-	900	-	-	-	-	900
Registration fees	-	729	-	-	-	-	729
Repairs and maintenance	-	360	-	-	-	-	360
Total Expenses Before Depreciation	65,591	31,214	13,389	39,376	8,459	5,344	163,373
Depreciation	-	1,487	-	-	-	-	1,487
Total Expenses	\$ 65,591	\$ 32,701	\$ 13,389	\$ 39,376	\$ 8,459	\$ 5,344	\$ 164,860

The accompanying notes are an integral part of these financial statements.

Women Rock, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2013

Cash Flows from Operating Activities	
Change in Net Assets	\$ 36,954
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	1,487
(Increase) Decrease in:	
Accounts receivable, net	15,021
Increase (Decrease) in:	
Accounts payable and accruals	94
Net Cash Provided by (Used in) Operating Activities	<u>53,556</u>
Cash Flows from Investing Activities	
Purchases of property and equipment	(1,232)
Net Cash Provided by (Used in) Investing Activities	<u>(1,232)</u>
Cash Flows from Financing Activities	
Net Cash Provided by (Used in) Financing Activities	<u>-</u>
Net Increase (Decrease) in Cash	52,324
Cash at Beginning of Year	55,204
Cash at End of Year	<u><u>\$ 107,528</u></u>

The accompanying notes are an integral part of these financial statements.

Women Rock, Inc.
Notes to the Financial Statements
December 31, 2013

Note 1: Description of Organization

Women Rock Inc. (Women Rock) was founded in 2010 as a grassroots organization led by the passion and desire to provide free mammograms to women in the Texoma region, while also providing breast cancer victims and survivors with a therapeutic environment that promotes healing, fellowship and support. Enhancing breast cancer awareness and providing education on the importance of early detection in Texoma communities is the main focus of the organization. Since then, Women Rock has worked toward the goal of creating a haven for rural communities facing the challenges of breast cancer and overall establishing a presence as a “rock” in these communities for the years to come. Women Rock is working toward tipping the scales in favor of breast cancer victims by providing a nourishing support infrastructure – one that heals the mind, body and soul.

Women Rock has two main areas of focus: Images of Hope and Provisions of Hope programs. Images of Hope provides financial assistance for breast imaging services, including screening and diagnostic mammograms, ultrasounds, biopsies, as well as physician services and referral, and breast cancer awareness. The Provisions of Hope program provides assistance to those that are undergoing breast cancer treatment and often find themselves struggling financially to make ends meet. By providing funding for house payments, car payments, rent, utility bills, gas, groceries, and other everyday essentials, Women Rock can help alleviate the financial burden that many of those diagnosed with breast cancer encounter. Women Rock is proud to be able to work personally with these clients to find out what their greatest needs are during this most difficult time of diagnosis and treatment.

Note 2: Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of Women Rock have been prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when the obligation is incurred.

B. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

C. Cash and Cash Equivalents

Women Rock considers all highly liquid investments with an original maturity date of three months or less to be cash equivalents. All deposits with financial institutions were fully insured by the Federal Deposit Insurance Corporation (FDIC) at December 31, 2013.

D. Accounts Receivable

Accounts receivable represents amounts due from donors for various fund raising programs of Women Rock. Management believes all receivables are fully collectible, therefore, no allowance for doubtful accounts has been recorded.

E. Property and Equipment

Property and equipment with a cost greater than \$500 are capitalized at cost and depreciated over their useful life using the straight-line method. The depreciable life of asset range from 5 to 15 years. Donated property and equipment is recorded at fair value at the donation date.

Women Rock, Inc.
Notes to the Financial Statements
December 31, 2013

Note 2: Summary of Significant Accounting Policies (continued)

F. Compensated Absences

There are no employees eligible for paid time off. Therefore, no accrual has been recorded at year end December 31, 2013.

G. In-Kind Donations

Contributions of donated advertising, property, utilities, and supplies are recorded at their fair value in the period received. Contributions of donated services that require specialized skills that would typically be purchased if not provided by donation, are recorded at their fair value in the period received. Women Rock had In-Kind donations of \$16,600 for the year ended December 31, 2013.

H. Functional Allocation of Expenses

The costs of providing Women Rock's various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

I. Tax Status

The Internal Revenue Service (IRS) has determined Women Rock is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code in a tax determination letter dated December 2, 2010. Thus no provision for income taxes has been recorded. Women Rock is generally no longer subject to examination by the IRS for years before 2010.

Note 3: Net Assets

Net assets are classified into three separate categories: unrestricted, temporarily restricted, and permanently restricted. The classifications are determined based upon the existence and/or nature of any donor restrictions.

- A. Unrestricted net assets are available for current operating expenses or for designation by the Board of Directors for a specific purpose.
- B. Temporarily restricted net assets have been restricted by donors until the occurrence of a certain event or the expiration of time requirements. \$16,377 has been restricted for a retreat center and scholarships.
- C. Permanently restricted net assets have principal balances restricted by donors that will not expire. Only earnings on the balance may be expended by Women Rock. There are no permanently restricted net assets at December 31, 2013.

At December 31, 2013, \$105,067 of net assets are classified as unrestricted and \$16,377 are classified as temporarily restricted.

Women Rock, Inc.
Notes to the Financial Statements
December 31, 2013

Note 4: Property and Equipment

The following is a summary of Women Rock's property and equipment at December 31, 2013:

<u>Depreciable assets</u>	
Furniture and equipment	\$ 10,323
Total property and equipment:	10,323
(Less) Accumulated depreciation	<u>(2,153)</u>
Total property and equipment (net)	<u>\$ 8,170</u>

Note 5: Contributed Services

Only contributions of donated services that require specialized skills are presented on the statement of activities. For the year ended December 31, 2013, Women Rock also received contributions of non-skilled labor with a fair value of \$17,380.

Note 6: Subsequent Events

Management has evaluated subsequent events through the date of the independent auditor's report, the date on which the financial statements were available to be issued. Management has not identified any subsequent events.