

Women Rock, Inc.

Audited Financial Statements

For the Year Ended December 31, 2014

Women Rock, Inc.
For the Year Ended December 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Women Rock, Inc.

I 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, 2014, 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

My responsibility is to express an opinion on these financial statements based on my audit. 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 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Women Rock as of December 31, 2014, 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.

Lori Ann Cannon, CPA

Sherman, Texas
December 31, 2015

Women Rock, Inc.
Statement of Financial Position
December 31, 2014

Assets		
Current Assets		
Cash and cash equivalents	\$	202,544
Accounts receivable (net)		-
Inventory		940
Total Current Assets		<u>203,484</u>
Land, Property, and Equipment (net)		<u>6,619</u>
Other Assets		<u>500</u>
Total Assets	\$	<u>210,603</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$	286
Total Current Liabilities		<u>286</u>
Long Term Liabilities		<u>-</u>
Total Liabilities		<u>286</u>
Net Assets		
Temporarily restricted net assets		16,677
Unrestricted net assets		193,640
Total Net Assets		<u>210,317</u>
Total Liabilities and Net Assets	\$	<u>210,603</u>

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

Women Rock, Inc.
Statement of Activities
For the Year Ended December 31, 2014

Support and Revenues	Unrestricted	Temporarily Restricted	Totals
Fundraising			
Bras for a Cause	\$ 149,810	\$ -	\$ 149,810
Susan Hicks Memorial 5K Run	30,700	-	30,700
Other fund raising events	16,769	800	17,569
Total fund raising	<u>197,279</u>	<u>800</u>	<u>198,079</u>
Local grants and contributions	88,840	-	88,840
Product sales	12,259	-	12,259
Net transfers that met restrictions	500	(500)	-
Total Support and Revenues	<u>298,878</u>	<u>300</u>	<u>299,178</u>
 Expenses			
Program services	74,666	-	74,666
Support services			
Administrative Expenses	41,127	-	41,127
Product sales	6,817	-	6,817
Fund Raising	87,695	-	87,695
Total Expenses	<u>210,305</u>	<u>-</u>	<u>210,305</u>
 Change in net assets	88,573	300	88,873
Net assets, beginning of year	<u>105,067</u>	<u>16,377</u>	<u>121,444</u>
Net assets, end of year	<u>\$ 193,640</u>	<u>\$ 16,677</u>	<u>\$ 210,317</u>

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

Women Rock, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2014

	Unrestricted						Temporarily	Total
	Support Services						Restricted	
	Program Services	Fund Raising					Fund Raising	
		Administrative	Product Sales	Bras for a Cause	Susan Hicks	Other		
Memorial 5K Run					Fund Raisers			
Salary	\$ 15,897	\$ 7,949	\$ -	\$ 9,936	\$ 5,961	\$ -	\$ -	\$ 39,743
Images of Hope	37,308	-	-	-	-	-	-	37,308
Donated In-Kind	-	-	-	32,235	-	-	-	32,235
Fundraising expense	-	-	-	8,977	12,505	5,068	500	27,050
Rent	-	8,536	-	4,933	-	-	-	13,469
Provisions of Hope	12,502	-	-	-	-	-	-	12,502
Office supplies	-	7,845	-	-	-	-	-	7,845
Professional fees	-	7,659	-	-	-	-	-	7,659
Product sales	-	-	6,817	-	-	-	-	6,817
Meals	-	-	-	6,243	-	-	-	6,243
Materials - promotional and educational	3,955	-	-	-	-	-	-	3,955
Miscellaneous	957	2,120	-	651	-	-	-	3,728
Travel	-	3,000	-	-	-	-	-	3,000
Advertising	2,091	286	-	-	-	-	-	2,377
Telephone and utilities	-	1,558	-	-	-	-	-	1,558
Insurance	-	1,484	-	-	-	-	-	1,484
Printing	-	-	-	686	-	-	-	686
Postage	-	587	-	-	-	-	-	587
Conferences	405	103	-	-	-	-	-	508
Total expenses before depreciation	<u>73,115</u>	<u>41,127</u>	<u>6,817</u>	<u>63,661</u>	<u>18,466</u>	<u>5,068</u>	<u>500</u>	<u>208,754</u>
Depreciation	1,551	-	-	-	-	-	-	1,551
Total donated goods and services	1,551	-	-	-	-	-	-	1,551
Total expense	<u>\$ 74,666</u>	<u>\$ 41,127</u>	<u>\$ 6,817</u>	<u>\$ 63,661</u>	<u>\$ 18,466</u>	<u>\$ 5,068</u>	<u>\$ 500</u>	<u>\$ 210,305</u>

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

Women Rock, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2014

Cash Flows from Operating Activities	
Change in Net Assets	\$ 88,873
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by (Used in) Operating Activities:	
Depreciation	1,551
(Increase) Decrease in:	
Accounts receivable, net	2,404
Inventory	(940)
Increase (Decrease) in:	
Accounts payable and accruals	286
Net Cash Provided by (Used in) Operating Activities	<u>92,174</u>
Cash Flows from Investing Activities	
Deposit for building purchase	<u>(500)</u>
Net Cash Provided by (Used in) Investing Activities	<u>(500)</u>
Cash Flows from Financing Activities	-
Net Cash Provided by (Used in) Financing Activities	<u>-</u>
Net Increase (Decrease) in Cash	91,674
Cash at Beginning of Year	<u>110,870</u>
Cash at End of Year	<u><u>\$ 202,544</u></u>

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

Women Rock, Inc.
Notes to the Financial Statements
December 31, 2014

Note 1: Description of Organization

A. Organization, History, and Purpose

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.

B. Tax Status

The Internal Revenue Service 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.

Note 2: Summary of Significant Accounting Policies

A. Basis of Accounting

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. Contributions

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, Inc.
Notes to the Financial Statements (continued)
December 31, 2014

Note 2: Summary of Significant Accounting Policies (continued)

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.

D. Accounts Receivable

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

E. Property and Equipment

Property and equipment with cost greater than \$500 are recorded at cost and are being depreciated using the straight-line method. Depreciable life asset lives range from 5 to 15 years. Donated property and equipment is recorded at fair value at the donation date.

F. 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.

G. 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.

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. \$16,677 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, 2014.

At December 31, 2014, \$193,640 of net assets are classified as unrestricted and \$16,677 are classified as temporarily restricted.

Women Rock, Inc.
Notes to the Financial Statements (continued)
December 31, 2014

Note 4: Property and Equipment

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

<u>Depreciable Assets</u>	<u>2013</u>	<u>Additions</u>	<u>Sales/Adjustments</u>	<u>2014</u>
Furniture and equipment	\$ 10,323	\$ -	\$ -	10,323
Accumulated depreciation	(2,153)	1,551	-	(3,704)
	<u>\$ 8,170</u>	<u>\$ 1,551</u>	<u>\$ -</u>	<u>\$ 6,619</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, 2014, Women Rock also received contributions of non-skilled labor with a fair value of \$23,200.

Note 6: Commitments and Contingencies

Women Rock periodically receives support from Federal and/or State agencies that may subject Women Rock to program compliance audits by the grantors or their representatives. If future program compliance audits result in questioned or disallowed costs, reimbursement would have to be made to the grantor agencies.

Note 7: Subsequent Events

In February 2015, Women Rock purchased a building and acquired debt for the building. The purchase price of the building was \$110,000, of which \$22,000 plus closing costs were paid at closing. The building was purchased by a mortgage note payment in the amount of \$88,000 for 59 monthly payments of \$582 and a final payment of \$74,048 due in February 6, 2020. The note bears interest at 4.95%.

Women Rock set up an endowment fund for \$5,000 in February of 2015.

Other than the items mentioned above, 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 additional subsequent events.