

**BRIGHT HORIZONS RESOURCES
FOR SURVIVORS OF DOMESTIC
VIOLENCE AND SEXUAL ASSAULT**

FINANCIAL STATEMENTS

For the Years Ended June 30, 2014, 2013 and 2012

**BRIGHT HORIZONS RESOURCES FOR SURVIVORS OF
DOMESTIC VIOLENCE AND SEXUAL ASSAULT**

TABLE OF CONTENTS

Page

Independent Auditors' Report

Financial Statements

Statement of Activities--Modified Cash Basis	2
Statement of Assets, Liabilities and Net Assets--Modified Cash Basis	3
Notes to Financial Statements	4

Supplementary Information

Schedule of Functional Expenses--Modified Cash Basis	9
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
Norfolk, NE

We have audited the accompanying financial statements of Bright Horizons Resources for Survivors of Domestic Violence and Sexual Assault (a nonprofit organization), which comprise the statements of assets, liabilities and net assets--modified cash basis as of June 30, 2014, 2013 and 2012, and the related statements of activities--modified cash basis for the years 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 the modified cash basis of accounting as described in Note A; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 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 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 assets, liabilities, and net assets of Bright Horizons Resources for Survivors of Domestic Violence and Sexual Assault as of June 30, 2014, 2013 and 2012, and the related statements of activities for the years then ended in accordance with the modified cash basis of accounting as described in Note A.

Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses--modified cash basis on page 9 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CBF PC

CHRISTENSEN BROZEK FALTYS PC
Certified Public Accountants

September 16, 2014

**Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
STATEMENT OF ACTIVITIES--MODIFIED CASH BASIS
For the Years Ended June 30, 2014, 2013 and 2012**

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Unrestricted Net Assets			
Support:			
Grants	\$ 33,417	\$ 34,620	\$ 34,246
Donations and fundraisers	44,132	66,636	50,194
Interest income	4	213	368
Total unrestricted support	<u>77,553</u>	<u>101,469</u>	<u>84,808</u>
Net assets released from restrictions	419,435	351,005	459,011
Net unrestricted support	<u>496,988</u>	<u>452,474</u>	<u>543,819</u>
Disbursements:			
Program expenses	401,809	373,057	445,980
Management and general	47,257	55,340	48,789
Fundraising	8,653	8,178	7,757
Total unrestricted disbursements	<u>457,719</u>	<u>436,575</u>	<u>502,526</u>
Change in unrestricted net assets	39,269	15,899	41,293
Temporarily Restricted Net Assets			
Grants	420,431	338,588	434,044
Donations	2,262	4,010	750
Restrictions satisfied by payment	<u>(419,435)</u>	<u>(351,005)</u>	<u>(459,011)</u>
Change in temp. restricted net assets	<u>3,258</u>	<u>(8,407)</u>	<u>(24,217)</u>
Net change in net assets	42,527	7,492	17,076
Net assets, beginning of year	<u>128,129</u>	<u>120,637</u>	<u>103,561</u>
Net Assets, end of year	<u>\$ 170,656</u>	<u>\$ 128,129</u>	<u>\$ 120,637</u>

See accompanying notes to the financial statements.

**Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS--
MODIFIED CASH BASIS
June 30, 2014, 2013 and 2012**

ASSETS	<u>2014</u>	<u>2013</u>	<u>2012</u>
Current Assets			
Cash and cash equivalents	\$ <u>170,732</u>	\$ <u>128,144</u>	\$ <u>120,652</u>
Total Assets	\$ <u><u>170,732</u></u>	\$ <u><u>128,144</u></u>	\$ <u><u>120,652</u></u>
 LIABILITIES AND NET ASSETS			
Current Liabilities			
Payroll liabilities	\$ <u>76</u>	\$ <u>15</u>	\$ <u>15</u>
Total Current Liabilities	<u>76</u>	<u>15</u>	<u>15</u>
 Net Assets			
Net assets, unrestricted	165,764	126,495	110,597
Net assets, temporarily restricted	<u>4,892</u>	<u>1,634</u>	<u>10,040</u>
Total net assets	<u><u>170,656</u></u>	<u><u>128,129</u></u>	<u><u>120,637</u></u>
Total Liabilities and Net Assets	\$ <u><u>170,732</u></u>	\$ <u><u>128,144</u></u>	\$ <u><u>120,652</u></u>

See accompanying notes to the financial statements.

**Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
NOTES TO FINANCIAL STATEMENTS
June 30, 2014, 2013 and 2012**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Bright Horizons Resources for Survivors of Domestic Violence and Sexual Assault was established in 1978 as a non-profit organization providing services to victims of domestic violence and sexual assault in Norfolk, Nebraska, and surrounding areas. The types of services offered include shelter, transportation, individual advocacy, criminal justice advocacy, financial assistance, referral and a crisis support line. The Organization operates under a Board of Directors. In August 1992, the Organization changed its legal name from Norfolk Task Force on Domestic Violence to its current name, Bright Horizons Resources for Survivors of Domestic Violence and Sexual Assault. The organization receives the majority of its funding from federal and state grants.

Basis of Accounting

The Organization's policy is to prepare its financial statements on the modified cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred.

Fixed Assets

No value has been placed on fixed assets for financial statement purposes. All assets have either been donated or expensed when purchased.

Income Tax Status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and therefore, has no provision for federal income taxes. In addition, the Organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

The Organization files required income tax returns in the U.S. federal jurisdiction and various states. With few exceptions, the Organization is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2010. The Organization has concluded no material uncertain tax positions have been taken on any open tax returns. For the current year the Organization believes all tax positions are fully supportable by existing Federal law and related interpretations and there are no uncertain tax positions to consider.

Vacation, Sick Pay, and Other Employee Benefit Amounts

The cost of vacation pay, sick pay, and other employee benefits are recorded when disbursed and not accrued. These are not expected to exceed a normal year's accumulation.

**Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
NOTES TO FINANCIAL STATEMENTS
June 30, 2014, 2013 and 2012**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Estimates

The costs of providing the various programs and supporting services have been summarized on a functional basis in the schedule of functional expenses--modified cash basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Noncash Donations

The Organization received donated materials and services from the general public. They received donated materials in the form of used clothing and furniture. No value was given to the materials; therefore, noncash donated materials were not included in the financial statements.

The Organization also received non-professional donated services in the form of volunteer hours. For the years ended June 30, 2014, 2013 and 2012 these non-professional services were valued at \$77,695, \$82,962 and \$127,539, respectively, based on a \$9 per hour wage rate. Non-professional donated services are not included in the financial statements in accordance with the modified cash basis of accounting.

Advertising

The Organization expenses advertising costs as they are incurred. Advertising expense for the years ended June 30, 2014, 2013 and 2012 was \$4,423, \$1,110 and \$576, respectively.

Net Assets

The Organization classifies its net assets into the following categories:

Unrestricted Net Assets - This fund is used to account for all financial resources presently available for use by the Organization. The amount of unrestricted net assets at June 30, 2014, 2013 and 2012 was \$165,764, \$126,495 and \$110,597, respectively.

Temporarily Restricted Net Assets - This fund is used to account for resources presently available for use, but expendable only for purposes specified by the donor. The amount of temporarily restricted net assets at June 30, 2014, 2013 and 2012 was \$4,893, \$1,634 and \$10,040, respectively.

Subsequent Events

In the normal course of preparing the Organization's financial statements, management reviews events that occur after the statement of assets, liabilities and net assets—modified cash basis date (June 30, 2014) for potential recognition or disclosure in the financial statements. Management has evaluated subsequent events through September 16, 2014, which is the date the financial statements were available to be issued.

**Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
NOTES TO FINANCIAL STATEMENTS
June 30, 2014, 2013 and 2012**

NOTE B – BANK DEPOSITS

At June 30, 2014, the Organization had \$188,422 held at two financial institutions. The Federal Deposit Insurance Corporation insures the Organization's cash balances up to \$250,000 per bank or institution. At June 30, 2014, there were no uninsured cash balances.

NOTE C – RENTAL AGREEMENTS

In February 2005, the Organization entered into a rental agreement for office space with Ronald L. Behnke, successor trustee of the Helen M. Behnke Revocable Trust, for the period from February 1, 2005 through January 31, 2010. The monthly rental rate on this property was \$1,250. In November 2009, a new rental agreement was signed for the period February 1, 2010 through January 31, 2012. The monthly rental was \$1,325. In January 2012, this lease was renewed at the monthly rental of \$1,325 and expired January 31, 2014. After the expiration date on January 31, 2014 this lease was renewed again at the monthly rental of \$1,325 and will expire January 31, 2016.

In July 2011, the Organization entered into a rental agreement for shelter space with Arloe and Mary Crawford, for the period from July 5, 2011 to July 5, 2012. The monthly rental rate on this property was \$325. The Organization agreed to pay \$3,900 for 1 year's rent plus \$325 deposit. This lease was verbally renewed for another year (July 5, 2012 to July 5, 2013). A new agreement was signed for the period July 5, 2013 to July 5, 2014, with a monthly rental rate of \$350, \$4200 annually.

In April 2013, the Organization entered into an annual rental agreement with Elaine Clemens, for the period from April 13, 2013 to April 13, 2014. The Organization agreed to pay \$6,000 for 1 year's rate. This lease was verbally renewed and approved by the board.

The Organization has also entered into monthly and annual rental agreements for storage space in O'Neill and storage space in Norfolk.

For the 2014-2015 fiscal year, the Organization has entered into monthly lease agreements for an apartment in O'Neill with Advantage Land and Realty and office space in Ainsworth with Brown County Hospital.

Total rents paid for the years ended June 30, 2014, 2013 and 2012 were \$28,020, \$25,380, and \$25,405, respectively.

Future minimum lease payments are as follows:

June 30	
2015	\$ 15,900
2016	<u>9,275</u>
Total	<u>\$ 25,175</u>

**Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
NOTES TO FINANCIAL STATEMENTS
June 30, 2014, 2013 and 2012**

NOTE D – LEASE COMMITMENT

On November 10, 2009, the Organization entered into a lease agreement with Great America Leasing Corporation for a copier machine for the Norfolk office. The term of the lease is for 60 months and expires October 2014. It requires monthly payments of \$136 plus tax.

On October 26, 2010, the Organization entered into a lease agreement with Great America Leasing Corporation for a copier machine for the O'Neill office. The term of the lease is for 63 months and expires December 2016. It requires monthly payments of \$70 plus tax.

On October 26, 2010, the Organization entered into a lease agreement with Great America Leasing Corporation for a copier machine for the Norfolk Shelter. The term of the lease is for 63 months and expires December 2016. It requires monthly payments of \$59 plus tax.

Future minimum lease payments not including tax are as follows:

June 30

2015	\$	2,087
2016		<u>772</u>
Total	\$	<u>2,859</u>

**Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
NOTES TO FINANCIAL STATEMENTS
June 30, 2014, 2013 and 2012**

NOTE E – DEFINED CONTRIBUTION PENSION PLAN

The Organization started a Simple IRA plan effective January 1, 2009. Employees must earn \$1,000 during the plan year and have worked one prior year to become eligible. The employees may defer a portion of their salary and the Organization's contribution is the amount of the Participant's deferral not in excess of 3% of Participant's compensation. The Organization's contribution for the years ended June 30, 2014, 2013 and 2012 was \$7,740, \$7,598 and \$6,779, respectively.

NOTE F – RELATED PARTY TRANSACTIONS

The Organization receives counseling services from the employer of one of its board members in the ordinary course of business at competitive prices. These transactions were not material for the years ended June 30, 2014, 2013 and 2012.

NOTE G – JOINT VENTURE

The Organization was a participating member of the Rural Domestic Violence, Dating Violence, Sexual Assault, Stalking and Child Abuse Enforcement Assistance Program Grant (Rural Grant). The period for the grant was from October 1, 2007 to September 30, 2011 and then extended to March 31, 2012. The grant was renewed October 1, 2012 for a three year period ending September 30, 2015. The Ponca Tribe of Nebraska is the fiscal agent for the Rural Grant. Bright Horizons submits monthly invoices to the Ponca Tribe of Nebraska throughout the grant period and is reimbursed for all allowable costs.

SUPPLEMENTARY INFORMATION

**Bright Horizons Resources for Survivors of
Domestic Violence and Sexual Assault
SCHEDULE OF FUNCTIONAL EXPENSES--MODIFIED CASH BASIS
For the Year Ending June 30, 2014
With Comparative Totals for 2013 and 2012**

	<u>Program Services</u>	<u>General/ Admin.</u>	<u>Fundraising</u>	<u>2014 Total</u>	<u>2013 Total</u>	<u>2012 Total</u>
Payroll	\$ 249,590	\$ 27,198	\$ 1,364	\$ 278,152	\$ 259,248	\$ 282,915
Fringe benefits & payroll tax	38,673	4,173	135	42,981	41,052	49,637
Bank service charge	40	-	-	40	84	158
Accounting fees	-	5,850	-	5,850	5,575	5,300
Client services:						
Professional fees	-	-	-	-	500	-
Contracts	1,080	-	-	1,080	2,740	6,911
Financial Aid	4,201	-	-	4,201	3,867	5,888
Food	2,187	-	-	2,187	2,664	3,243
Transportation	7,387	-	-	7,387	6,938	4,750
Medical	552	-	-	552	175	301
Norfolk shelter						
Supplies	851	-	-	851	510	1,982
Utilities	5,527	-	-	5,527	5,294	6,485
Maintenance & repair	6,322	-	-	6,322	9,127	15,183
Copier lease	789	-	-	789	613	634
Cable, telephone, internet	3,330	-	-	3,330	2,891	3,102
O'Neill shelter						
Rent	4,200	-	-	4,200	3,900	4,225
Supplies	29	-	-	29	230	100
Utilities	1,835	-	-	1,835	1,613	2,079
Maintenance & repair	932	-	-	932	196	200
Cable, telephone, internet	938	-	-	938	874	847
Norfolk office						
Rent	13,720	2,385	795	16,900	15,900	15,900
Utilities	2,655	498	166	3,319	4,401	4,009
O'Neill office						
Contracted services	179	-	-	179	182	100
Rent	5,720	900	300	6,920	5,580	5,280
Utilities	2,842	533	178	3,553	3,372	2,366
Equipment/maintenance	5,645	1,058	353	7,056	7,388	4,536
Insurance	5,767	304	-	6,071	16,459	17,353
Membership dues	973	-	-	973	1,134	943
Printing and publications	5,122	270	-	5,392	2,809	1,594
Postage	1,091	128	64	1,283	2,218	1,841
Employee related costs	347	-	-	347	121	367
Supplies	12,063	-	4,833	16,896	10,007	19,371
Telephone	7,909	931	465	9,305	8,850	9,891
Training	228	-	-	228	268	1,732
Travel	9,085	3,029	-	12,114	9,795	23,303
	<u>\$ 401,809</u>	<u>\$ 47,257</u>	<u>\$ 8,653</u>	<u>\$ 457,719</u>	<u>\$ 436,575</u>	<u>\$ 502,526</u>