
**Audited Financial Statements
of
My Sister's Place Incorporated
For the Fiscal Year Ended September 30, 2009**

My Sister's Place Incorporated

Financial Statements

For the Fiscal Year Ended September 30, 2009

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
My Sister's Place Incorporated

We have audited the accompanying statement of financial position of My Sister's Place Incorporated (a nonprofit organization) as of September 30, 2009, and the related statements of activities, functional expenses and cash flows for the year 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also 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 My Sister's Place Incorporated as of September 30, 2009, 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.

A handwritten signature in cursive script, appearing to read 'C. D. Brice CPA'. The signature is written in dark ink and is positioned above the printed name and date.

Largo, Maryland
November 18, 2010

My Sister's Place Incorporated
 STATEMENT OF FINANCIAL POSITION
 September 30, 2009

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	\$ 1,993,191
Accounts receivable	303,392
Prepaid expenses and other assets	<u>41,592</u>
Total current assets	<u>2,338,175</u>
PROPERTY AND EQUIPMENT	
Land	103,934
Building and improvements	480,517
Construction in progress	329,675
Furniture and equipment	212,611
Vehicles	32,900
Less: Accumulated depreciation	<u>(399,538)</u>
Net property and equipment	<u>760,099</u>
OTHER ASSETS	
Capital campaign receivable	198,100
Investments	<u>402,836</u>
Total other assets	<u>600,936</u>
TOTAL ASSETS	<u>\$ 3,699,210</u>

LIABILITIES AND NET ASSETS

LIABILITIES	
Accounts payable	\$ 12,034
Accrued salaries, leave and payroll liabilities	102,620
Resident escrow funds	<u>9,417</u>
Total liabilities	<u>124,071</u>
NET ASSETS	
Unrestricted	576,218
Temporarily restricted	<u>2,998,921</u>
Total net assets	<u>3,575,139</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,699,210</u>

See Accompanying Notes to Financial Statements

My Sister's Place Incorporated
STATEMENT OF ACTIVITIES
Year Ended September 30, 2009

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE			
Grants	\$ 1,017,508	\$	\$ 1,017,508
Capital Campaign	125,000		125,000
Other contributions	495,593		495,593
United Way/CFC	6,250		6,250
Special events	8,529		8,529
Interest and dividend income	13,754		13,754
Unrealized gain (loss) on investments	(31,903)		(31,903)
Other income	6,376		6,376
Net assets released from restrictions	72,753	(72,753)	-
	<u>1,713,860</u>	<u>(72,753)</u>	<u>1,641,107</u>
Total support and revenue			
Expenses			
Program services	1,534,316		1,534,316
Management and general	603,994		603,994
Fundraising expenses	70,285		70,285
	<u>2,208,595</u>	<u></u>	<u>2,208,595</u>
Total expenses			
Change in Net Assets Before Prior Period Adjustments	(494,735)	(72,753)	(567,488)
Prior period adjustment	9,194		9,194
	<u>(485,541)</u>	<u>(72,753)</u>	<u>(558,294)</u>
Change in Net Assets			
Net Assets - Beginning of Year	1,061,759	3,071,674	4,133,433
Net Assets - End of Year	<u>\$ 576,218</u>	<u>\$ 2,998,921</u>	<u>\$ 3,575,139</u>

See Accompanying Notes to Financial Statements

My Sister's Place Incorporated
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2009

CASH FLOWS FROM OPERATING ACTIVITIES	
Changes in net assets	\$ (567,488)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation and amortization	31,864
Changes in assets and liabilities:	
Accounts receivable	26,664
Writedown of TCP receivable	84,116
Prepaid expenses and other assets	(17,500)
Accounts payable	(20,708)
Accrued salaries, leave and payroll liabilities	17,522
Total Adjustments	<u>121,958</u>
Net cash used by operating activities	(445,530)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(130,473)
Purchases of investments	<u>(15,999)</u>
Net cash used by investing activities	<u>(146,472)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(592,002)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>2,585,193</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,993,191</u>

See Accompanying Notes to Financial Statements

My Sister's Place Incorporated
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2009

	Program Services					Support Services			Total
	Shelter and Crisis Hotline	Community Education	Counseling Center	Transitional Housing	Total	Support	Fundraising	Total	
Payroll, payroll taxes, benefits, direct services	\$ 514,042	\$ 72,236	\$ 184,785	\$ 75,343	\$ 846,407	\$ 481,461	\$ 48,032	\$ 529,493	\$ 1,375,900
Rent	156,811			77,135	233,947	13,261	-	13,261	247,208
Resident assistance and costs	86,011	55	2,355	8,558	96,979	6,525	664	7,189	104,168
Repairs and maintenance	28,805		2,980	26,008	57,793	12,471	-	12,471	70,264
Consultants	19,068	1,427	1,427	1,427	23,348	3,885	1,427	5,312	28,660
Security	9,137	-	1,013	1,801	11,950	-	-	-	11,950
Utilities, trash collection, exterminator	39,742			11,463	51,205	7,238	-	7,238	58,443
Professional Fees	2,345	2,345	2,345	2,345	9,380	4,690	2,345	7,035	16,414
Insurance	14,264	1,398	4,806	1,684	22,153	12,855	751	13,606	35,759
Depreciation and amortization	12,710	1,246	4,282	1,501	19,740	11,455	669	12,124	31,864
Information systems	3,513	3,203	3,203	3,200	13,117	7,221	3,203	10,424	23,541
Telephone and website	17,741			7,859	25,600	15,118	-	15,118	40,718
Office and house supplies and expenses	7,422	952	723	303	9,401	2,896	4,756	7,652	17,053
Equipment Rental	1,664	841	841		3,347	8,123	841	8,964	12,311
Staff development and training	1,181				1,181	148	-	148	1,329
Outside services	1,134	1,134	1,274	345	3,888	1,449	1,134	2,583	6,470
Printing and copying	249	378	23		651	230	2,663	2,893	3,544
Travel	148	274	113		534	169	59	228	762
Automobile				100	100				100
Postage and delivery	1,220				1,220	1,027	196	1,224	2,443
Dues and subscriptions					-	1,165		1,165	1,165
Indirect Costs	6,027			2,500	8,527	777		777	9,304
Clinical supervision	-		14,300	-	14,300	-		-	14,300
Interns	4,779				4,779		3,064	3,064	3,064
Licenses, permits, interest and taxes	317	317	416	824	1,873	300		633	4,779
Advertising	59	400			459				2,506
Miscellaneous	29,075	17,812	13,892	11,659	72,438	11,678		11,678	84,116
Write down of receivable									
Total	\$ 957,465	\$ 104,018	\$ 238,777	\$ 234,056	\$ 1,534,316	\$ 603,994	\$ 70,285	\$ 674,279	\$ 2,208,595

See Accompanying Notes to Financial Statements
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My Sister's Place Incorporated
Notes to Financial Statements
Fiscal Year Ended September 30, 2009

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

My Sister's Place, Inc. (the "Organization") is a non-profit corporation organized under the laws of the District of Columbia to provide emergency shelter, support and transitional housing services to female victims of domestic violence and their children and to further public education on the issue of domestic violence.

Basis of Presentation

The Organization had adopted Statement of Financial Accounting Standards No. 116, Accounting for Contributions Received and Contributions Made (SFAS 116) and Statement of Financial Accounting Standards No. 117, Financial Statements of Not-for-Profit Organizations (SFAS 117), effective July 1, 1994.

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Revenue Recognition, Restricted Contributions and Grants

Contributions are considered available for unrestricted use unless specifically restricted by the donor. Contributions restricted by the donor for particular operating purposes, if any, are reported as temporarily restricted revenue until expenses are incurred in compliance with the donor's restrictions. Grants for specific purposes are recognized in the year related expenses are incurred. Non-specific grants are recognized in the year granted. The organization elects to treat donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

Provision for Doubtful Accounts

The Organization considers its accounts receivable to fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they are charged to operations upon such determination.

Allocated Expenses

Expenses by function have been allocated among program and support services classification on the basis of time records and estimates made by Organization's management.

Cash and Cash Equivalents

For the Statement of Cash Flows, the Organization considers investments with a maturity of three months or less to be cash equivalents.

Property and Equipment

Furniture and equipment are stated at cost (if purchased) or fair value (if donated). Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Purchases of fixed assets costing more than \$1,000 and major improvements are capitalized.

Income Taxes

The Organization is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. Under Section 501(c)(3), the corporation is subject to taxes on unrelated business income, if any. The Organization did not have any unrelated business income during the fiscal year ended September 30, 2009. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

Use of Estimates

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

Note 2. SUPPORT

Government Support

The Organization receives substantial support from the District of Columbia in the form of a per diem allowance for residents served. Total support received from the District of Columbia and its agencies was \$988,937 or 61% of total income received during the year ended September 30, 2009. A reduction in this level of support may have a significant effect on the level of programs and activities provided.

Note 3. COMMITMENTS AND CONTINGENCIES

Operating Leases

The Organization meets part of its demand for transitional housing by leasing four apartments on a month-to-month basis. Additionally, during 2003, the Organization began occupying additional four-dwelling and two-dwelling units. The Organization rents separate spaces for its non-residential counseling center. In September, 1998, the Organization entered into a lease agreement for a new office space near, but separate from, its existing property. On August 1, 2006 and 2007, the office lease was renewed for an additional year. In July 2008, the Organization entered into two lease agreements for its residential services. Total rent expense for these facilities for the year ended September 30, 2009 was \$244,941.

Future minimum lease payments are as follows:

Year ending: September 30, 2010	\$ 182,750
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Note 4. CONCENTRATION OF CREDIT RISK

The Organization maintains cash and cash equivalents at two financial institutions located in metropolitan Washington, D.C. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000 per depositor per financial institution. At times during the year, cash balances on deposit at one of the institutions exceeded \$100,000. At September 30, 2009, uninsured amounts were approximately \$1,654,126.

Note 5. INVESTMENTS

Publicly traded marketable equity securities are carried at market value. At September 30, 2009 these investments were valued at \$402,836, which was below the cost of the investment by \$105,414. At September 30, 2008, these investments were valued at \$386,836, which was below the cost of the investments by \$121,650.

Note 6. RETIREMENT PLAN

The Organization established a SIMPLE IRA plan in 1997. Employees are eligible to contribute to the plan after the first calendar year during which the employee earned \$5,000 from the Organization. The Organization matches contributions of up to three percent (3%) each year. For at least 3 years during each five-year period, the Organization must contribute three percent (3%) of salary for eligible employees. Plan contributions were \$4,377 for the year ended September 30, 2009.

Note 7. PRIOR PERIOD ADJUSTMENT

During the fiscal year ended September 30, 2009 a prior period adjustment was made to correct the payroll liability. The adjustment resulted in an increase in Net Assets of \$9,194 for an overstatement of the payroll liability.