

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

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INDEPENDENT AUDITOR'S REPORT

January 17, 2013

Board of Directors
Committee Against Domestic Abuse, Inc.
Mankato, MN 56001

We have audited the accompanying statements of financial position of Committee Against Domestic Abuse, Inc. (a nonprofit organization) as of June 30, 2012 and 2011, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of Committee Against Domestic Abuse, Inc. 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. 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 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 audits provide 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 Committee Against Domestic Abuse, Inc. as of June 30, 2012 and 2011, and the results of its activities and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Burkhardt & Burkhardt, Ltd.

Burkhardt & Burkhardt, Ltd.
Certified Public Accountants

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

STATEMENTS OF FINANCIAL POSITION

June 30, 2012 and 2011

ASSETS	<u>2012</u>	<u>2011</u>
<u>Current Assets:</u>		
Cash and Cash Equivalents	\$ 865,145	\$ 773,113
Receivables:		
Grants	162,571	112,811
Accounts	0	1,000
Interest	269	19,915
Prepaid Expense	13,282	12,352
Total Current Assets	<u>1,041,267</u>	<u>919,191</u>
<u>Property and Equipment:</u>		
Land and Buildings	1,654,088	1,636,217
Equipment and Vehicles	115,207	79,959
Accumulated Depreciation	<u>(577,784)</u>	<u>(531,543)</u>
Net Property and Equipment	<u>1,191,511</u>	<u>1,184,633</u>
Cash Surrender Value - Insurance Contract	<u>116,389</u>	<u>112,655</u>
TOTAL ASSETS	<u><u>\$ 2,349,167</u></u>	<u><u>\$ 2,216,479</u></u>
LIABILITIES AND NET ASSETS		
<u>Current Liabilities:</u>		
Accounts Payable	\$ 8,199	\$ 516
Compensated Absences	37,732	29,666
Accrued Payroll	<u>18,873</u>	<u>7,827</u>
Total Current Liabilities	<u>64,804</u>	<u>38,009</u>
<u>Net Assets:</u>		
Unrestricted:		
Board Designated	848,482	761,029
Net Investment in Fixed Assets	1,191,511	1,184,633
Undesignated	<u>244,370</u>	<u>232,808</u>
Total Net Assets	<u>2,284,363</u>	<u>2,178,470</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,349,167</u></u>	<u><u>\$ 2,216,479</u></u>

The Notes to the Financial Statements are an Integral Part of These Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

STATEMENTS OF ACTIVITIES
For The Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>Revenues and Other Support:</u>		
OJP Grants	\$ 1,247,477	\$ 1,110,410
Contribution received in Donation of CVS	90,143	0
Other Governmental Grant Income	0	875
United Way	13,746	5,060
Contributions	43,814	43,546
Service Fees	12,864	7,547
Fundraising	8,802	11,821
Interest Income	15,467	22,018
Adjustment to Fair value	(3,858)	0
Miscellaneous Income	727	1,664
	<u>1,429,182</u>	<u>1,202,941</u>
<u>Operating Expenses:</u>		
Salaries and Benefits	1,000,663	894,362
Contract Services	11,059	6,083
Conferences and Meetings	14,706	17,702
Program Expense	171,208	154,396
Promotion	2,094	2,826
Occupancy	80,351	77,114
Fundraising Expense	2,492	4,574
Administration	37,076	29,472
Miscellaneous	3,640	2,989
Total Operating Expense	<u>1,323,289</u>	<u>1,189,518</u>
Change in Net Assets	105,893	13,423
Net Assets - July 1	<u>2,178,470</u>	<u>2,165,047</u>
Net Assets - June 30	<u>\$ 2,284,363</u>	<u>\$ 2,178,470</u>

The Notes to the Financial Statements are an Integral Part of These Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

STATEMENTS OF CASH FLOWS
For The Years Ended June 30, 2012 and 2011

	2012	2011
<u>Cash Flows From Operating Activities:</u>		
Net Income (Loss)	\$ 105,893	\$ 13,423
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided		
By (Used in) Operating Activities:		
Depreciation	58,492	49,964
(Increase) Decrease in Accounts Receivable	(48,760)	71,947
(Increase) Decrease in Interest Receivable	19,646	2,639
(Increase) Decrease in Prepaid Insurance	(930)	(7,635)
Increase (Decrease) in Accounts Payable	18,729	(28,359)
Increase (Decrease) in Accrued Vacation Benefits	8,065	2,509
Unrealized (Gain) Loss on Investments	3,858	0
Net Cash Provided (Used) by Operating Activities	164,993	104,488
<u>Cash Flows From Investing Activities:</u>		
Increase in Cash Surrender Value	3,734	4,184
Purchase Equipment	(76,695)	(88,914)
Net Cash Provided (Used) by Investing Activities	(72,961)	(84,730)
Net Increase (Decrease) in Cash	92,032	19,758
Cash and Cash Equivalents - July 1	773,113	753,355
Cash and Cash Equivalents- June 30	\$ 865,145	\$ 773,113

The Notes to the Financial Statements are an Integral Part of These Statements.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
For The Years Ended June 30, 2012 and 2011

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organizational History

The Committee Against Domestic Abuse, Inc., (CADA) is a nonprofit tax exempt organization which received its determination letter on March 21, 1986 from the Internal Revenue Service. CADA was incorporated on October 21, 1979 and the establishment of its first shelter in 1981. CADA provides safety and support to victims of domestic violence and sexual assault through community engagement, legal and community advocacy, shelter, supervised parenting time services, and therapeutic support. CADA coordinates services across eight counties in south central Minnesota to address domestic abuse and sexual assault, meaning, violence manifested in societal norms and behaviors like teen dating violence, battering, rape, child abuse, sexual assault, and the trafficking of women and children. The trauma of a sexual assault, being stalked, surviving child sexual abuse, feeling threatened, and/or witnessing a parent being hurt, will likely impact any human's sense of dignity, trust, safety. The ability to thrive in one's own home, maintain emotional and financial stability, and the fabric of family support are often at risk for those experiencing violence. CADA seeks to assist individuals and communities at risk.

Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions. If donor imposed restrictions are met in the same period as the gift or investment income is received, the amount is reported as unrestricted revenue. Accordingly, net assets of CADA and changes therein are classified and reported as follows:

Unrestricted Net Assets – Resources over which the Board of Directors has discretionary control. These net assets include both board designated and undesignated amounts.

Temporarily Restricted Net Assets – Resources that are subject to donor-imposed restrictions, either for a specific purpose or subject to the passage of time. CADA had no temporarily restricted net assets for the years ended June 30, 2012 and 2011.

CADA had no permanently restricted net assets for the years ended June 30, 2012 and 2011.

Management Review

In preparing these financial statements, CADA has evaluated events and transactions for potential recognition or disclosure through January 17, 2013, the date the financial statements were available to be issued

Accounts Receivable - Recognition of Bad Debts

The CADA, Inc. considers the accounts receivable to be fully collectible and therefore no allowance has been established. If amounts become uncollectible, they will be charged to income when that determination is made. Accounts receivable consists of grants from the State of Minnesota and withholding due from employees.

Property, Plant, and Equipment

Land, building, equipment, furniture, and fixtures are carried at cost. CADA, Inc.'s policy is to only capitalize purchases over \$500. Depreciation is computed using the straight-line method.

The estimated useful lives of depreciable assets are:

Building	40 years
Equipment, furniture, and fixtures	5-10 years

Depreciation expense for the years ended June 30, 2012 and 2011 amounted to \$58,492 and \$49,964, respectively.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
For The Years Ended June 30, 2012 and 2011

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Cash

For purposes of the statements of cash flows, the CADA considers all short-term investments purchased with a maturity of three months or less to be cash equivalents. Cash in these financial statements consist of cash in checking, savings, petty cash, certificates of deposit, and mutual funds.

Financial Instruments and Credit Risk

The carrying amounts of financial instruments approximate fair value based on quoted market prices or discounted cash flow analyses for cash equivalents and other financial instruments. CADA is subject to some credit risk through short-term cash investments, which are placed with high credit quality financial institutions. CADA had no amounts in excess of federally insured or other insured limits as of June 30, 2012 and 2011, respectively.

Income Taxes

CADA is tax exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3), which classifies CADA as other than a private foundation. Therefore no income taxes have been provided in the financial statements.

Management has expressed there are no uncertain tax positions as of June 30, 2012. CADA has not been audited by the Internal Revenue Service or Minnesota Revenue, and accordingly any uncertain tax positions for the past three years are open to examination.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and 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.

Cash Surrender Value

Cash surrender value represents the cash value of an insurance policy that was donated to CADA.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Supporting services expenses include those expenses that are not directly identifiable with any other specific function but provide for overall support and direction of CADA. Expenses which apply to more than one functional category have been allocated based on estimates made by management.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. All contributions receivable and amounts received that are donor restricted for future periods or donor restricted for specific purposes are reported as temporarily restricted. The restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restriction when the donor stipulated time restriction ends or the purpose restriction is accomplished by CADA. All gifts granted to CADA are recorded at fair value at the time of receipt.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
For The Years Ended June 30, 2012 and 2011

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Contributed Services

Contributed services are recorded in the financial statements to the extent that those services create or enhance a nonfinancial asset or meet the following criteria: a) the service requires specialized skills, b) the service is provided by individuals who possess those skills, and c) the service would typically need to be purchased if not contributed. No contributed services were recognized for the years ended June 30, 2012 and 2011.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2011, from which the summarized information was derived. Certain other prior year information has been reclassified to conform to current year presentation.

Note 2 CASH FLOW INFORMATION

CADA had no noncash investing or financing transactions during the years ended June 30, 2012 and 2011.

The organization had interest expense of \$0 and \$150 in the years ended June 30, 2012 and 2011, respectively. There were no amounts paid for income taxes for the years ended June 30, 2012 and 2011.

Note 3 LEASING ARRANGEMENTS

CADA leases space for its operations at various sites surrounding the Mankato area. Rental expense for these sites for the years ended June 30, 2012 and 2011 was \$23,110 and \$21,065, respectively. Future minimum lease expense is expected to be as follows:

June 30, 2012	\$ 23,110
June 30, 2013	28,410
June 30, 2014	28,410
June 30, 2015	28,410
June 30, 2016	<u>28,410</u>
	<u>\$ 136,750</u>

Note 4 COMPENSATED ABSENCES

Management has computed the amount of unpaid vacation and sick pay benefits as of June 30, 2012 and 2011. Vacation benefits and sick pay has been combined into a paid time off amount. This paid time off is based on the number of years of service.

Note 5 ECONOMIC DEPENDENCY

CADA receives a substantial amount of its revenues from a program administered by the State of Minnesota. This program amounted to 87% and 92% of total revenue received the years ended June 30, 2012 and 2011, respectively.

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
For The Years Ended June 30, 2012 and 2011

Note 6 NET ASSETS

CADA has classified Board designated net assets based on the existence of Board imposed conditions. For the years ended June 30, 2012 and 2011, the balances of Board designated net assets are as follows:

	<u>2012</u>	<u>2011</u>
Capital Improvement/Replacement Fund	\$ 182,270	\$ 197,234
Oordt Memorial Housing Fund	244,761	199,115
Scherrer Memorial Program/Development Fund	240,587	194,128
Operating Cash Flow Fund	<u>180,864</u>	<u>170,552</u>
	<u>\$ 848,482</u>	<u>\$ 761,029</u>

Note 7 FUNCTIONAL CLASSIFICATIONS OF EXPENSES

Expenses by function for the years ended June 30, 2012 and 2011 were as follows:

	<u>2012</u>	<u>2011</u>
Shelter Program:		
Shelter	\$ 469,561	\$ 461,671
Children's Program	<u>40,941</u>	<u>25,160</u>
Total Shelter Program	510,502	486,831
Keep Me Safe	45,675	26,020
BluePrint for Safety	22,496	9,133
Faribault DV	70,916	69,366
Brown DV/SA	60,381	0
Sibley DV/SA	30,262	38,547
Blue Earth DV/SA	93,101	41,801
LeSueur DV	25,932	38,547
Nicollet DV/SA	41,673	45,079
Waseca DV/SA	71,747	116,525
Watonwan DV/SA	77,621	84,923
Fundraising	2,492	8,832
Administration	<u>270,491</u>	<u>223,914</u>
	<u>\$ 1,323,289</u>	<u>\$ 1,189,518</u>

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INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

January 17, 2013

Board of Directors
Committee Against Domestic Abuse, Inc.
Mankato, MN 56001

Our report on our audits of the basic financial statements of the Committee Against Domestic Abuse, Inc. for June 30, 2012 and 2011 appears on page 1. We conducted our audits in accordance with auditing standards generally accepted in the United States for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of operating expenses 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 our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Burkhardt & Burkhardt, Ltd.

Burkhardt & Burkhardt, Ltd.
Certified Public Accountants

COMMITTEE AGAINST DOMESTIC ABUSE, INC.
MANKATO, MINNESOTA

SCHEDULE OF OPERATING EXPENSES
For The Years Ended June 30, 2013 and 2011

	2012	2011
Salaries and Benefits:		
Salaries	\$ 769,357	\$ 658,379
Payroll Taxes	98,672	72,494
Medical and Dental Benefits	116,674	146,929
Pension Expense	15,960	16,560
	\$ 1,000,663	\$ 894,362
Contract Services:		
Consultants	4,083	1,337
Other	2,336	1,706
Professional Fees	4,640	3,040
	11,059	6,083
Conferences and Meetings:		
Registrations	2,593	5,932
Mileage	7,280	8,011
Other	674	119
Meals and Accommodations	4,159	3,640
	14,706	17,702
Program Expenses:		
Specific Assistance	32,290	32,344
BluePrint for Safety Grant Expense	22,496	9,136
Telephone and Internet Expense	14,806	15,597
Travel and Vehicle Expense	15,260	12,776
Insurance	5,568	5,567
Shelter Upkeep	20,386	24,964
Supplies	7,953	9,406
Depreciation	52,449	44,606
	171,208	154,396
Promotion:		
Advertising	1,502	2,746
Trade Shows	222	80
Miscellaneous	370	0
	2,094	2,826
Occupancy:		
Rent	23,110	21,065
Utilities	30,986	34,514
Insurance	9,645	9,570
Repairs and Maintenance	16,610	11,965
	80,351	77,114
Fundraising Expense	2,492	4,574
Administration and Office:		
Office Expense	16,955	12,062
Travel	2,966	2,929
Telephone	1,643	2,036
Supplies	3,390	1,469
Equipment Lease	1,391	1,330
Equipment Repair and Maintenance	4,688	4,288
Depreciation	6,043	5,358
	37,076	29,472
Miscellaneous	3,640	2,989
Total Operating Expense	\$ 1,323,289	\$ 1,189,518