

Larson Gross 



**Brigid Collins Family Support Center  
Financial Statements  
With  
Independent Auditor's Report  
Year Ended December 31, 2009**

**Brigid Collins Family Support Center**

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## Independent Auditor's Report

Board of Directors  
Brigid Collins Family Support Center

We have audited the accompanying statement of financial position of Brigid Collins Family Support Center as of December 31, 2009, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of Brigid Collins Family Support Center's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of 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 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 Brigid Collins Family Support Center's internal control over financial reporting. Accordingly, we express no such opinion. 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 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 Brigid Collins Family Support Center as of December 31, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2010, on our consideration of Brigid Collins Family Support Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Larson Gross, PLLC*

Bellingham, Washington  
June 30, 2010

Brigid Collins Family Support Center

**Statement of Financial Position**

December 31, 2009

**Assets**

**Current assets**

Cash	\$ 151,919
Certificates of deposit	41,207
Grants receivable	113,535
Fundraising inventory	2,476
Total current assets	<u>309,137</u>

**Land, property and equipment, net**

2,545,676

**Other assets**

9,519

**Total assets**

\$ 2,864,332

**Liabilities and Net Assets**

**Current liabilities**

Accounts payable	\$ 26,054
Accrued liabilities	45,993
Current portion of long-term debt	547,800
Total current liabilities	<u>619,847</u>

**Long-term debt**

155,883

**Net assets**

Unrestricted net assets	2,043,249
Temporarily restricted net assets	45,353
	<u>2,088,602</u>

**Total liabilities and net assets**

\$ 2,864,332

Brigid Collins Family Support Center

**Statement of Activities**

Year Ended December 31, 2009

	Unrestricted	Temporarily Restricted	Total
<b>Support and revenue</b>			
Support			
Government grants	\$ 1,156,116	\$ -	\$ 1,156,116
Community grants and donations	264,626	74,500	339,126
In-kind contributions	950	-	950
Special events - net	118,515	-	118,515
Total contributions	<u>1,540,207</u>	<u>74,500</u>	<u>1,614,707</u>
Revenue			
Program service fees	17,988	-	17,988
Realized loss on investments	(14)	-	(14)
Interest and dividends	908	47	955
Loss on disposal of equipment	(6,136)	-	(6,136)
Rental income	3,885	-	3,885
Total revenue	<u>16,631</u>	<u>47</u>	<u>16,678</u>
Net assets released from restrictions	41,247	(41,247)	-
Total support and revenue	<u>1,598,085</u>	<u>33,300</u>	<u>1,631,385</u>
<b>Operating expenses</b>			
Program services	1,397,340	-	1,397,340
Management and general	176,949	-	176,949
Fundraising	81,402	-	81,402
Total expenses	<u>1,655,691</u>	<u>-</u>	<u>1,655,691</u>
<b>Change in net assets</b>	(57,606)	33,300	(24,306)
<b>Net assets - beginning of year</b>	<u>2,100,855</u>	<u>12,053</u>	<u>2,112,908</u>
<b>Net assets - end of year</b>	<u>\$ 2,043,249</u>	<u>\$ 45,353</u>	<u>\$ 2,088,602</u>

Brigid Collins Family Support Center

**Statement of Functional Expenses**

Year ended December 31, 2009

	Program Services	Management and General	Fundraising	Total
Wages and benefits				
Wages	\$ 771,218	\$ 121,343	\$ 54,815	\$ 947,376
Payroll taxes	69,550	11,162	5,151	85,863
Employee benefits	95,162	15,272	7,048	117,482
Total wages and benefits	<u>935,930</u>	<u>147,777</u>	<u>67,014</u>	<u>1,150,721</u>
Program services				
Assistance to families	103,772	-	-	103,772
Therapists	34,080	-	-	34,080
Program supplies	46,029	-	-	46,029
Workshop expenses	706	-	-	706
Consulting fees	10,000	-	-	10,000
Total program services	<u>194,587</u>	<u>-</u>	<u>-</u>	<u>194,587</u>
Facility costs				
Rent	9,551	-	-	9,551
Utilities	18,157	1,304	601	20,062
Maintenance and repair	18,749	1,346	621	20,716
Insurance	10,057	1,613	744	12,414
Total facility costs	<u>56,514</u>	<u>4,263</u>	<u>1,966</u>	<u>62,743</u>
Operating expenses				
Depreciation	86,142	6,186	2,855	95,183
Travel	22,674	3,638	1,679	27,991
Accounting	17,871	2,867	1,323	22,061
Telephone	13,440	2,156	995	16,591
Printing and brochure	6,350	1,018	470	7,838
Conferences and training	17,438	-	-	17,438
Office supplies	8,858	1,421	656	10,935
Postage and delivery	4,780	766	353	5,899
Miscellaneous	32,756	6,857	4,091	43,704
	<u>210,309</u>	<u>24,909</u>	<u>12,422</u>	<u>247,640</u>
Total expenses	<u>\$ 1,397,340</u>	<u>\$ 176,949</u>	<u>\$ 81,402</u>	<u>\$ 1,655,691</u>

Brigid Collins Family Support Center

**Statement of Cash Flows**

Year Ended December 31, 2009

<b>Cash flows from operating activities</b>	
Change in net assets	\$ (24,306)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	95,183
In-kind contribution of land, property and equipment	(950)
Loss on disposal of equipment	6,136
Restricted community grants and donations	(74,500)
Decrease in assets:	
Accounts receivable	53,515
Fundraising inventory	21
Increase in liabilities:	
Accounts payable	2,210
Accrued liabilities	1,056
	<hr/>
<b>Net cash provided by operating activities</b>	58,365
<b>Cash flows from investing activities</b>	
Investment in certificates of deposit	(706)
Acquisition of property and equipment	(19,585)
	<hr/>
<b>Net cash used by investing activities</b>	(20,291)
<b>Cash flows from financing activities</b>	
Proceeds from restricted community grants and donations	74,500
Payment on long-term debt	(55,012)
	<hr/>
<b>Net cash provided by financing activities</b>	19,488
Net decrease in cash	57,562
Cash - beginning of year	94,357
	<hr/>
<b>Cash - end of year</b>	<u><u>\$ 151,919</u></u>
<b>Supplemental Disclosure of Cash Flow Information</b>	
Cash paid for interest	<u><u>\$ 34,016</u></u>

Brigid Collins Family Support Center

**Notes to Financial Statements**

December 31, 2009

**Note 1 - Summary of Significant Accounting Policies**

**Business** - Brigid Collins Family Support Center (the Center) is a not-for-profit Washington corporation providing services to children and families in Whatcom County. The mission of the Center is to break the cycle of child abuse in Whatcom County by promoting the healthy development of families, and preventing the onset of abuse through community education and outreach. Additionally, the Center provides immediate and comprehensive treatment when abuse occurs.

**Basis of presentation** - The Center reports information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. The Center had no permanently restricted net assets as of December 31, 2009.

**Revenue from government agencies** - The Center records all revenue from government agencies as services are provided, in accordance with applicable grant or contract provisions. Revenue from government agencies is subject to audit that could result in adjustments to revenue. The adjustments are recorded at the time that such amounts can first be reasonably determined, normally upon notification by the government agency. During the year ended December 31, 2009 no such adjustments were recorded.

**Contributions** - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose of restrictions. Contributions of material for resale are recorded at the net realizable value at the time of receipt.

**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 and disclosures 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** - Cash consists of checking and money market accounts. The Center maintains its cash in bank accounts that may exceed federal insured limits at times during the year. The Center has not experienced any losses in these accounts, and management does not believe it is exposed to any significant credit risk.

**Grants receivable** - Grants receivable are recorded at their net realizable value. Net realizable value is equal to the gross amount of receivables less an estimated allowance for doubtful accounts. Management of the Center bases its estimates of doubtful accounts on several factors. These factors include the Center's prior experience collecting grant receivables, the aging of the grant receivables at year end, and management's appraisal of current economic conditions. Based on the above factors, management considers all grant receivables to be fully collectible and therefore has not made any allowance for uncollectibility.

Brigid Collins Family Support Center

**Notes to Financial Statements**

December 31, 2009

**Note 1 - Summary of Significant Accounting Policies - (Continued)**

**Property and equipment** – Property and equipment are stated at cost if purchased and fair market value if received by donation. Depreciation is provided using straight-line methods based upon the estimated economic useful lives of the assets. Repair and maintenance expenditures that do not extend useful life are expensed as incurred.

**Donated materials, land, building, equipment and services** – Accounting standards require that donated materials, land, building, equipment and services contributed by professionals that require specialized skills, be recognized as in-kind income and expenses. Contributed services that do not require special skills are not recognized. A number of volunteers have donated specific amounts of time to the Center’s services; such amounts are not reflected in these statements.

**Concentration of credit risk** – The Center receives a substantial amount of grant revenue through federal and state agencies. A reduction in these grants, if this were to occur, may have a significant effect on the Center’s operation.

**Federal income tax** – Brigid Collins Family Support Center is a not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code, and therefore, is exempt from federal income tax. As of December 31, 2009, tax returns for the prior three fiscal years remain subject to examination by major tax jurisdictions.

**Subsequent events** – In preparing these financial statements, the Center has evaluated events and transactions for potential recognition or disclosure through June 30, 2010, the date the financial statements were available to be issued.

**Note 2 - Land, Property and Equipment**

Land, property and equipment as of December 31, 2009 consists of the following:

Land	\$ 836,290
Buildings	1,293,663
Equipment	264,454
Building improvements	<u>496,787</u>
	2,891,194
Less accumulated depreciation	<u>(345,518)</u>
Net property and equipment	<u>\$ 2,545,676</u>

Brigid Collins Family Support Center

Notes to Financial Statements

December 31, 2009

**Note 3 - Long-Term Debt**

Long-term debt as of December 31, 2009 consists of the following:

Note payable to a financial institution, requires 60 monthly payments of \$589, including interest at the bank's prime rate (3.25% at December 31, 2009) plus 2%, due November, 2013, secured by property and equipment, receivables and deposit accounts	\$ 24,208
Note payable to City of Bellingham, no interest, originating from Federal funds requiring no principal payments with maturity deferring indefinitely if the building identified in the note continues to be used to provide benefits to low or moderate income persons. The note is secured by a deed of trust to the property	137,289
Note payable to a Family Trust, requires 28 monthly payments of \$3,809, including interest at 6%, due December 2010, with a final principal payment of \$573,973 plus any unpaid interest, secured by a deed of trust	<u>542,186</u>
	703,683
Less amount due within one year	<u>(547,800)</u>
	<u>\$ 155,883</u>

Aggregate annual principal payments on long-term debt for the five years ending December 31 and thereafter are as follows:

2010	\$ 547,800
2011	6,000
2012	6,400
2013	6,194
2014	-
Thereafter	<u>137,289</u>
	<u>\$ 703,683</u>

Brigid Collins Family Support Center

**Notes to Financial Statements**

December 31, 2009

**Note 4 - Line-of-credit**

The Center has a revolving line of credit with a bank for up to \$50,000. The line-of-credit is secured by all chattel paper, accounts and general intangibles, and interest is payable monthly at the bank's prime rate (3.25% at December 31, 2009) plus 3.75%. At December 31, 2009, there was no principal outstanding and \$50,000 was available under the agreement.

**Note 5 - Grants, Contracts and Fees From Government Agencies**

Grants, contract, and fees from government agencies for the year ended December 31, 2009 consists of:

Department of Social and Health Services	\$ 693,298
Department of Commerce, Trade and Economic Development	265,038
Harborview Medical Center	98,000
Washington State Association Crime Advocacy Centers	62,089
Department of Health and Human Service	23,393
National Children's Alliance	5,069
Other revenue and adjustments	<u>9,229</u>
Total	<u>\$ 1,156,116</u>

**Note 6 - Employee Benefits**

The Center sponsors a Thrift Plan, a tax deferred annuity under Internal Revenue Code Section 403(b), for the benefit of its employees. The plan covers all employees who work at least 20 hours per week and have been with the Center one year or longer. Employer contributions are a maximum of three percent of employee's compensation. Pension contributions were \$11,289 for the year ended December 31, 2009.



**Independent Auditor's Report On Internal Control Over Financial Reporting and On Compliance and Other Matters Based On an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

Board of Directors  
Brigid Collins Family Support Center

We have audited the financial statements of Brigid Collins Family Support Center as of and for the year ended December 31, 2009, and have issued our report thereon dated June 30, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered Brigid Collins Family Support Center's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Brigid Collins Family Support Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



We noted certain other matters that we reported to management of the Center in a separate letter dated June 30, 2010.

This report is intended for the information and use of the Board of Directors, management, federal, state, and other awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*Larson Gross, PLLC*

Bellingham, Washington  
June 30, 2010