

**ORANGE COUNTY FAMILY JUSTICE
CENTER FOUNDATION
FINANCIAL STATEMENTS**

June 30, 2014 and 2013

**ORANGE COUNTY FAMILY JUSTICE
CENTER FOUNDATION**

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INDEPENDENT AUDITORS' REPORT

**To the Board of Directors
Orange County Family Justice
Center Foundation**

Report on the Financial Statements

We have audited the accompanying financial statements of **Orange County Family Justice Center Foundation**, which comprise of the statements of financial positions as of June 30, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows 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 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.

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 audits 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 auditors' 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 Organization'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 Organization's internal control. Accordingly, we express no such opinion. An audit 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Orange County Family Justice Center Foundation, as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Forman, Richter & Rubin

**FORMAN, RICHTER AND RUBIN
AN ACCOUNTANCY CORPORATION**

**Covina, California
October 10, 2014**

**ORANGE COUNTY FAMILY JUSTICE
CENTER FOUNDATION
STATEMENTS OF FINANCIAL POSITION**

June 30, 2014 and 2013

ASSETS

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash - checking	\$ 101,405	\$ 43,837
Cash - savings	64,367	64,110
Prepaid expenses	<u>2,685</u>	<u>988</u>
TOTAL CURRENT ASSETS	<u>168,457</u>	<u>108,935</u>
PROPERTY AND EQUIPMENT (Note 2)		
Furniture and equipment	23,470	23,470
Accumulated depreciation	<u>(23,470)</u>	<u>(23,458)</u>
TOTAL PROPERTY AND EQUIPMENT	<u>-</u>	<u>12</u>
OTHER ASSETS		
Artwork Collection	<u>25,000</u>	<u>25,000</u>
TOTAL ASSETS	<u>\$ 193,457</u>	<u>\$ 133,947</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ -	\$ -
NET ASSETS		
Unrestricted	<u>193,457</u>	<u>133,947</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 193,457</u>	<u>\$ 133,947</u>

The accompanying Notes to Financial Statements
are an integral part of this statement

**ORANGE COUNTY FAMILY JUSTICE
CENTER FOUNDATION
STATEMENTS OF ACTIVITIES**

Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
REVENUE AND SUPPORT		
Grant	\$ 60,499	16,750
Contribution	167,916	155,190
Interest	256	326
Miscellaneous	<u>-</u>	<u>2,742</u>
TOTAL REVENUES	<u>228,671</u>	<u>175,008</u>
EXPENSES		
Program services	45,413	26,337
Management and general	88,890	94,447
Special events	<u>34,858</u>	<u>25,541</u>
TOTAL EXPENSES	<u>169,161</u>	<u>146,325</u>
INCREASE IN NET ASSETS	59,510	28,683
NET ASSETS - Beginning of Year	<u>133,947</u>	<u>105,264</u>
NET ASSETS - End of Year	<u>\$ 193,457</u>	<u>\$ 133,947</u>

The accompanying Notes to Financial Statements
are an integral part of this statement

**ORANGE COUNTY FAMILY JUSTICE
CENTER FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2014

	<u>SUPPORT SERVICES</u>			<u>TOTAL</u>
	<u>PROGRAM SERVICES</u>	<u>MGMT. & GEN.</u>	<u>SPECIAL EVENTS</u>	
Specific assistance to individuals	\$ -	\$ -	\$ -	\$ -
Direct victim assistance	7,214	-	-	7,214
Kids creating change	38,199	-	-	38,199
Improv fundraiser	-	-	4,891	4,891
Anniversary luncheon	-	-	8,902	8,902
Toast for hope	-	-	1,605	1,605
Celebration for strength	-	-	19,460	19,460
Personnel	-	73,341	-	73,341
Insurance	-	2,214	-	2,214
Advertising and promotion	-	988	-	988
Legal and accounting	-	3,642	-	3,642
Postage and mailing	-	544	-	544
Printing and copying	-	551	-	551
Office expenses	-	3,108	-	3,108
Taxes and licenses	-	80	-	80
Telephone	-	1,281	-	1,281
Miscellaneous	-	200	-	200
Penalties	-	2,929	-	2,929
Depreciation	-	12	-	12
TOTALS	\$ 45,413	\$ 88,890	\$ 34,858	\$ 169,161

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**ORANGE COUNTY FAMILY JUSTICE
CENTER FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended June 30, 2013

	<u>PROGRAM SERVICES</u>	<u>SUPPORT SERVICES</u>	<u>SPECIAL EVENTS</u>	<u>TOTAL</u>
		<u>MGMT. & GEN.</u>		
Specific assistance to individuals	\$ -	\$ 3,250	\$ -	\$ 3,250
Direct victim assistance	4,172	-	-	4,172
Kids creating change	19,781	-	-	19,781
Children program supplies	2,384	-	-	2,384
Improv fundraiser	-	-	5,420	5,420
Anniversary luncheon	-	-	6,726	6,726
Toast for hope	-	-	1,497	1,497
Celebration for strength	-	-	11,898	11,898
Personnel	-	78,500	-	78,500
Insurance	-	2,649	-	2,649
Advertising and promotion	-	536	-	536
Legal and accounting	-	828	-	828
Postage and mailing	-	1,833	-	1,833
Printing and copying	-	1,751	-	1,751
Office expenses	-	1,136	-	1,136
Travel	-	327	-	327
Taxes and licenses	-	35	-	35
Telephone	-	858	-	858
Dues and subscriptions	-	309	-	309
Miscellaneous	-	1,226	-	1,226
Depreciation	-	1,209	-	1,209
TOTALS	\$ 26,337	\$ 94,447	\$ 25,541	\$ 146,325

The accompanying Notes to Financial Statements
are an integral part of this statement

ORANGE COUNTY FAMILY JUSTICE

CENTER FOUNDATION

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 59,510	\$ 28,683
<i>Adjustments to reconcile increase in net assets to net cash provided by operating activities:</i>		
Depreciation	12	1,209
Increase in prepaid expenses	<u>(1,697)</u>	<u>(30)</u>
Net Cash Provided by Operating Activities	57,825	29,862
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>107,947</u>	<u>78,085</u>
CASH AND CASH EQUIVALENTS - End of Year	<u>\$ 165,772</u>	<u>\$ 107,947</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the years for:

Income taxes	\$	-
Interest		-

The accompanying Notes to Financial Statements
are an integral part of this statement

**ORANGE COUNTY FAMILY JUSTICE
CENTER FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

Years Ended June 30, 2014 and 2013

1. NATURE OF ORGANIZATION

Orange County Family Justice Center Foundation, a California Nonprofit Corporation, (the Organization), is a nonprofit corporation organized on April 4, 2006, under the laws of the State of California. The specific purpose of the Organization is to provide direct victim assistance and empowerment and prevention resources. The Organization serves victims and families whose lives have been impacted by domestic violence, child abuse, elder abuse and sexual assault.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Revenues are reported as increases in unrestricted net assets and expenses as decreases in unrestricted net assets.

Net Assets - None of the Organization's net assets are subject to donor-imposed stipulations and may be expendable for any purpose in performing the primary objectives of the Organization, and are accordingly accounted for as unrestricted net assets.

Support and Revenue - The Organization receives donations from public and private foundations, fundraising events and other sources and recognizes these revenues when earned.

Contributions - Contributions are recognized when received and when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Accounts Receivable - The Organization considers its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with initial maturities of three months or less to be cash equivalents.

Property and Equipment - Property and equipment are recorded at cost or at estimated fair value at the date of gift. Donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is provided on a straight-line basis in amounts sufficient to amortize the cost of the assets over their estimated useful lives of five to seven years.

The Organization capitalizes all expenditures for property, furniture and equipment in excess of \$1,000.

Depreciation expense for the years ended June 30, 2014 and 2013 amounted to \$12 and \$1,209, respectively.

ORANGE COUNTY FAMILY JUSTICE

CENTER FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2014 and 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Income Taxes - The Organization is exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes is included in the financial statements. 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 Code.

The Organization's federal and state income tax returns are subject to possible examination by the taxing authorities until the expiration of the related statutes of limitations on those tax returns. In general, the federal income tax returns have a three year statute of limitations, and the state income tax returns have a four year statute of limitations.

The Organization evaluates all significant tax positions. As of June 30, 2014 and 2013, the Organization does not believe that it has taken any positions that would require the recording of any additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year. It is the Organization's policy to recognize any interest and penalties in the year incurred. There was no interest or penalties incurred in 2014 and 2013.

Functional Allocation of Expenses - The cost of providing the various projects and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the various projects and the supporting services benefited.

Use of Estimates - The preparation of financial statements in conformity with U.S. 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.

Fair Value Measurement - In accordance with U.S. GAAP, valuation techniques are based on observable and unobservable inputs. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs are internally derived, reflecting what the reporting entity believes to be market assumptions. U.S. GAAP classifies these inputs into the following hierarchy:

- Level One Inputs – Quoted prices for identical instruments in active market.
- Level Two Inputs – Quoted prices for identical instruments in active market; quoted prices for identical or similar instruments in markets that are not active; and model derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level Three Inputs – Instruments with primarily unobservable value drivers.

In adopting the fair value measurement in accordance with U.S. GAAP, related disclosures are segregated for assets and liabilities measured at fair value based on the level used within the hierarchy to determine their fair values. These standards do not have any financial impact on the Organization's financial statements.

**ORANGE COUNTY FAMILY JUSTICE
CENTER FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

Years Ended June 30, 2014 and 2013

3. SUBSEQUENT EVENTS

The Organization has evaluated events and transactions occurring subsequent to the statement of financial position date of June 30, 2014, for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through October 10, 2014, the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred.