

***ORANGE COUNTY CHILD ABUSE
PREVENTION CENTER, INC.***

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2014

WITH INDEPENDENT AUDITORS' REPORT

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
FINANCIAL STATEMENTS
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JUNE 30, 2014

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INDEPENDENT AUDITORS' REPORT

The Board of Directors of
Orange County Child Abuse Prevention Center, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of the Orange County Child Abuse Prevention Center, Inc., (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, cash flows, and functional expenses for the year 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 audit. 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 from 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 also 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 audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Orange County Child Abuse Prevention Center, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

Other auditors previously audited the Orange County Child Abuse Prevention Center Inc.'s 2013 financial statements for which the other auditors expressed an unmodified opinion on those financial statements in their report dated September 16, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2014, on our consideration of the Organization's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

White Nelson Dick Evans LLP

Irvine, California
September 29, 2014

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014
(With Comparative Amounts as of June 30, 2013)

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets:		
Cash and cash equivalents	\$ 817,983	\$ 478,976
Investments	1,452,374	1,445,950
Receivables from government agencies	355,072	462,150
Prepaid expenses	45,019	48,033
Pledge receivables	<u>55,575</u>	<u>51,123</u>
Total Current Assets	<u>2,726,023</u>	<u>2,486,232</u>
Equipment and furniture, net of accumulated depreciation of \$60,404 and \$292,063 at June 30, 2014 and 2013, respectively	<u>81,610</u>	<u>83,777</u>
Other Assets:		
Deposits	<u>14,396</u>	<u>14,161</u>
Total Other Assets	<u>14,396</u>	<u>14,161</u>
Total Assets	<u>\$ 2,822,029</u>	<u>\$ 2,584,170</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts payable	\$ 52,734	\$ 34,077
Accrued liabilities	440,591	369,427
Deferred revenue	<u>134,400</u>	<u>18,450</u>
Total Current Liabilities	<u>627,725</u>	<u>421,954</u>
Net Assets:		
Unrestricted	1,864,110	1,811,600
Temporarily restricted	326,243	346,665
Permanently restricted	<u>3,951</u>	<u>3,951</u>
Total Net Assets	<u>2,194,304</u>	<u>2,162,216</u>
Total Liabilities and Net Assets	<u>\$ 2,822,029</u>	<u>\$ 2,584,170</u>

The accompanying notes are an integral part of these financial statements

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Amounts for the Year Ended June 30, 2013)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Grand Totals	
				2014	2013
Support and Revenue:					
Contributions:					
United Way	\$ -	\$ 63,750	\$ -	\$ 63,750	\$ 63,750
Other	143,561	-	-	143,561	144,306
Total Contributions	<u>143,561</u>	<u>63,750</u>	<u>-</u>	<u>207,311</u>	<u>208,056</u>
Special Events:					
Revenues	717,048	-	-	717,048	444,722
Direct expenses	(231,199)	-	-	(231,199)	(173,141)
Total Net Special Events	<u>485,849</u>	<u>-</u>	<u>-</u>	<u>485,849</u>	<u>271,581</u>
Other Support:					
Grants	1,155,651	4,636,420	-	5,792,071	4,512,308
Donated goods	-	293,062	-	293,062	373,245
In-kind services	-	202,352	-	202,352	365,336
Targeted case management	-	232,790	-	232,790	264,568
Investment income	6,434	-	-	6,434	2,245
Total Other Support	<u>1,162,085</u>	<u>5,364,624</u>	<u>-</u>	<u>6,526,709</u>	<u>5,517,702</u>
Total Support and Revenue	<u>1,791,495</u>	<u>5,428,374</u>	<u>-</u>	<u>7,219,869</u>	<u>5,997,339</u>
Net Assets Released from Restrictions	<u>5,448,796</u>	<u>(5,448,796)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>7,240,291</u>	<u>(20,422)</u>	<u>-</u>	<u>7,219,869</u>	<u>5,997,339</u>
Expenses:					
Program Services:					
In-home	2,490,811	-	-	2,490,811	2,330,792
Mental health	1,859,245	-	-	1,859,245	1,087,727
CAST	327,775	-	-	327,775	324,571
Outreach and education	1,014,158	-	-	1,014,158	1,130,334
Goods	797,665	-	-	797,665	799,442
Capacity building	64,156	-	-	64,156	-
Total Program Services	<u>6,553,810</u>	<u>-</u>	<u>-</u>	<u>6,553,810</u>	<u>5,672,866</u>
Support Services:					
Fundraising	310,137	-	-	310,137	284,655
General and administrative	323,834	-	-	323,834	322,705
Total Support Services	<u>633,971</u>	<u>-</u>	<u>-</u>	<u>633,971</u>	<u>607,360</u>
Total Expenses	<u>7,187,781</u>	<u>-</u>	<u>-</u>	<u>7,187,781</u>	<u>6,280,226</u>
Increase (Decrease) in Net Assets	52,510	(20,422)	-	32,088	(282,887)
Net Assets, Beginning of Year	1,811,600	346,665	3,951	2,162,216	2,445,103
Net Assets, End of Year	<u>\$ 1,864,110</u>	<u>\$ 326,243</u>	<u>\$ 3,951</u>	<u>\$ 2,194,304</u>	<u>\$ 2,162,216</u>

The accompanying notes are an integral part of these financial statements

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Amounts for the Year Ended June 30, 2013)

	Program Services						Support Services			Grand Totals		
	In-Home	Mental Health	CAST	Outreach and Education	Goods	Capacity Building	Total Program Services	Fundraising	General and Administrative	Total Support Services	2014	2013
Salaries, benefits and payroll taxes	\$ 1,982,796	\$ 1,477,345	\$ 114,450	\$ 847,813	\$ 241,904	\$ 11,058	\$ 4,675,366	\$ 261,481	\$ 221,870	\$ 483,351	\$ 5,158,717	\$ 4,317,874
Donated goods	102,081	19,534	3,407	23,130	134,643	-	282,795	-	-	-	282,795	373,245
In-kind services	-	-	202,352	-	-	-	202,352	-	-	-	202,352	365,336
Audit	13,239	8,981	506	4,056	1,241	23	28,046	886	2,132	3,018	31,064	19,880
Dues and subscriptions	568	344	-	246	76	1	1,235	449	2,039	2,488	3,723	1,718
Insurance	4,693	4,032	249	2,003	613	11	11,601	436	491	927	12,528	14,257
Auto and mileage	102,439	54,737	358	27,774	3,170	49	188,527	5,432	1,265	6,697	195,224	184,236
Basic Needs leases / goods	-	-	-	-	383,088	-	383,088	-	-	-	383,088	350,094
Office supplies	21,028	24,593	903	5,310	4,971	25	56,830	2,210	3,329	5,539	62,369	41,698
Program expenses	33,481	32,797	3,582	9,324	1,473	45,801	126,458	7,353	8,968	16,321	142,779	53,544
Rent	110,933	75,807	-	35,250	10,925	193	233,108	7,642	5,359	13,001	246,109	236,219
Equipment lease and maintenance	58,814	83,305	-	17,273	6,873	5,693	171,958	12,529	33,583	46,112	218,070	119,160
Telephone	39,217	24,174	83	18,737	6,687	41	88,939	2,209	2,219	4,428	93,367	68,569
Travel and education	17,996	30,504	-	1,314	511	1,254	51,579	375	6,159	6,534	58,113	42,410
Depreciation	-	-	-	-	-	-	-	-	32,488	32,488	32,488	38,900
Fundraising	-	-	-	-	-	-	-	4,042	-	4,042	4,042	16,624
Newsletter	1,430	21,762	-	21,034	876	2	45,104	4,159	919	5,078	50,182	27,065
Postage	2,096	1,330	-	888	567	5	4,886	673	149	822	5,708	6,576
Miscellaneous	-	-	1,885	6	47	-	1,938	261	2,864	3,125	5,063	2,821
Total Functional Expenses	\$ 2,490,811	\$ 1,859,245	\$ 327,775	\$ 1,014,158	\$ 797,665	\$ 64,156	\$ 6,553,810	\$ 310,137	\$ 323,834	\$ 633,971	\$ 7,187,781	\$ 6,280,226

The accompanying notes are an integral part of these financial statements

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Amounts for the Year Ended June 30, 2013)

	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities:		
Increase (Decrease) in net assets	\$ 32,088	\$ (282,887)
Adjustment to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	32,488	38,900
Donated property and equipment received	10,226	-
Changes in:		
Receivables from government agencies	107,078	(57,171)
Prepaid expenses	3,014	(990)
Pledges receivable	(4,452)	(51,123)
Deposits	(235)	-
Accounts payable	18,657	(22,234)
Accrued liabilities	71,164	18,039
Deferred revenue	<u>115,950</u>	<u>14,450</u>
Net Cash Provided by (Used in) Operating Activities	<u>385,978</u>	<u>(343,016)</u>
Cash Flows from Investing Activities:		
Purchase of equipment and furniture	(40,547)	(36,034)
Decrease (increase) in investments	<u>(6,424)</u>	<u>192,585</u>
Net Cash Provided by (Used in) Investing Activities	<u>(46,971)</u>	<u>156,551</u>
Net Increase (Decrease) in Cash and Cash Equivalents	339,007	(186,465)
Cash and Cash Equivalents at Beginning of Year	<u>478,976</u>	<u>665,441</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 817,983</u></u>	<u><u>\$ 478,976</u></u>

The accompanying notes are an integral part of these financial statements

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Orange County Child Abuse Prevention Center, Inc. (the "Organization") is a California nonprofit public benefit corporation incorporated in 1983. The Organization is committed to preventing and breaking the generational cycle of child abuse, domestic violence, and teen pregnancy in Orange County, California. The Organization is primarily funded by grants from government agencies, contributions and fundraising from special events.

The Organization is currently licensed to do business as the following:

- Child Abuse Prevention Center
- Exchange Club Child Prevention Center of Orange County
- The Prevention Center
- Welcome Baby

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations. The accounts of the Organization are maintained in accordance with the principles of net asset accounting. Accordingly, all financial transactions have been recorded and reported by net asset class as follows:

Unrestricted: These generally result from revenue generated by receiving unrestricted contributions, providing services, and receiving interest from investments less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Temporarily Restricted: The Organization reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from program or capital restrictions.

Permanently Restricted: These net assets are restricted by donors who stipulate that resources are to be maintained permanently, but permit the Organization to expend all of the income (or other economic benefits) derived from the donated assets.

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include petty cash funds, bank checking accounts used for operating purposes, and investments with maturities of three months or less from the original purchase dates.

Equipment and Furniture

Equipment and furniture are recorded at cost at date of purchase or estimated fair value at date of donation. Equipment and furniture are depreciated over their estimated useful lives (ranging from 3 to 7 years) using the straight-line method. Depreciation expense related to equipment and furniture amounted to \$32,488 for the year ended June 30, 2014.

Receivables from Government Agencies

Receivables from government agencies represent the only concentrated group of credit risk for the Organization. Management does not believe that there are any significant credit risks associated with these governmental agencies. Management continually monitors these receivables to address any credit risks which may arise.

Pledges Receivable

Pledges receivable represent unconditional promises to give from unrelated organizations and individuals. Management does not believe that there is any significant credit risk associated with the Organization's pledges receivable. Pledges receivable reflected in the accompanying statement of financial position are all expected to be collected in less than one year.

Deferred Revenue

Deferred revenue consists principally of an amount collected for a grant of \$125,000 from the Weingart foundation. Under the terms of the grant agreement the funds must be returned unless the Organization meets certain requirements. The amount of the grant will be recognized upon the Organizations fulfillment of the requirements.

Donated Service and Goods

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organizations' contracts with the County of Orange Social Service Agency require that volunteer services must be utilized and reported to the County. The County has a computed hourly rate of \$16.50 based on duties for these volunteers and, accordingly, the Organization records the value of these services as both a revenue and corresponding expense. Other volunteer services that do not meet these criteria accounted for approximately 7,800 hours are not recognized in the financial statement. In total, the Organization had over 20,000 volunteer hours during the fiscal year ended June 30, 2014. Donated goods are recorded at their estimated fair market value at the time of distribution.

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Gifts and Contributions

Gifts and contributions are recorded upon receipt in amounts equivalent to their estimated fair market value. Unrestricted gifts and revenue are classified as unrestricted. Unconditional promises to give cash and other assets are recognized in the period the promise is made. Conditional promises are recognized when they become unconditional. Restricted gifts, contributions, and other restricted resources are classified as either temporarily or permanently restricted.

Income Taxes

The Organization is exempt from federal incomes taxes under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from California income taxes. The Organization currently has no material unrelated business income. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

Management does not believe that the Organization has any uncertain tax positions. The Organization evaluates its tax positions and would recognize a loss contingency associated with an uncertain tax position when it is probable that a liability has been incurred as of the statement of financial position date and the amount of the loss can be reasonably estimated. The amount recognized would be subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized. The years open for tax authority examination are 2011 through 2014 for federal purposes and 2010 through 2014 for state purposes.

Fair Value Measurements

Generally accepted accounting principles provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of the inputs used with each level:

Level 1 inputs - quoted prices in active markets for identical assets.

Level 2 inputs - quoted prices in active or inactive markets for the same or similar assets.

Level 3 inputs - estimates using the best information available when there is little or no market.

The Organization has no financial instruments utilizing Level 2 or Level 3 inputs for measurement of fair value.

Prior-Year Summarized 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, 2013, from which the summarized information was derived.

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Functional Allocation of Expenses

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with the program and supporting service are allocated based on evaluation by the Organization's management.

Use of Estimates

The process of preparing financial statements in accordance with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and gains, and expenses and losses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts. Management believes that these estimates and assumptions provide a reasonable basis for the fair presentation of the financial statements.

Note 2: Risks and Uncertainties

The Organization maintains cash balances at multiple financial institutions. At June 30, 2014, accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2014, The Organization's cash balances on deposit at the institutions in excess of federally insured limits totaled \$411,112.

The Organization obtains a substantial portion of its support from three sources. During the year ended June 30, 2014 support received from these sources aggregated approximately \$5,500,000. At June 30, 2014, amounts due from these sources in accounts, grants, and awards receivable, were approximately \$355,000.

Note 3: Investments

The Organization's investments are carried at estimated fair market value based on observable quoted market prices in active markets for identical assets (Level 1 inputs).

Investments consisted of the following as of June 30, 2014:

	<u>Fair Value</u>
Money Market Mutual Funds	\$ 452,374
Certificates of Deposit	<u>1,000,000</u>
	<u>\$ 1,452,374</u>

Investment income for the year ended June 30, 2014 was primarily composed of interest income.

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Note 4: Commitments

The Organization leases its office space and a warehouse under the terms of non-cancellable operating lease agreements expiring through January 2018. The leases contain stipulated rent increases approximating the consumer price index and require the Organization to pay certain facility expenses. The Organization also leases certain equipment under the terms of non-cancellable operating leases.

Future minimum lease payments under the terms of the agreements were as follows as of June 30, 2014:

Year Ending <u>June 30,</u>	
2015	\$ 147,097
2016	23,378
2017	6,548
2018	<u>3,820</u>
	<u>\$ 180,843</u>

Rent expense under non-cancellable operating leases was approximately \$289,000 for the year ended June 30, 2014.

Note 5: Retirement Plan

The Organization contributes to a 403(b) plan in which the contribution is distributed to all full-time employees who are eligible to participate, subject to certain lengths of service and age requirements. Organization contributions to the plan are made at the discretion of the Board of Directors at the end of the fiscal year. During the year ended June 30, 2014, the Organization made contributions to the plan totaling approximately \$53,000. Organization contributions vest over four years.

Note 6: Special Events

Revenues and expenses related to special events associated with the Organization's fundraising activities for the year ended June 30, 2014 were as follows:

	<u>Campaigns</u>	<u>Gala</u>	<u>Golf</u>	<u>Spring Event</u>	<u>Total</u>
Revenues	\$ 118,972	\$ 211,833	\$ 301,334	\$ 84,909	\$ 717,048
Direct Expenses	<u>(26,224)</u>	<u>(92,198)</u>	<u>(86,972)</u>	<u>(25,805)</u>	<u>(231,199)</u>
	<u>\$ 92,748</u>	<u>\$ 119,635</u>	<u>\$ 214,362</u>	<u>\$ 59,104</u>	<u>\$ 485,849</u>

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Note 7: Net Assets

Net assets consisted of the following as of June 30, 2014:

Unrestricted Net Assets:	
Invested in equipment and furniture	\$ 81,610
Available for programs	<u>1,782,500</u>
	<u>1,864,110</u>
Temporarily Restricted Net Assets:	
Child Abuse Service Team (CAST)	298,110
Capacity building	4,279
Other	<u>23,854</u>
	<u>326,243</u>
Permanently Restricted Net Assets:	
Holden Endowment	<u>3,951</u>
Total Net Assets	<u>\$ 2,194,304</u>

Note 8: Targeted Case Management

In 2001, the Organization began a service called Targeted Case Management (TCM), which qualifies for future reimbursement of costs and is managed by both local and state governments. Timing and receipt of funding under the TCM program is uncertain; as such, the Organization recognizes these revenues when received, which can lead to fluctuations in total support and revenues between fiscal years.

Note 9: Basic Needs Program

In 2005, the Organization began a program called Basic Needs (BN) which is funded by the County of Orange. The BN program requires that basic household items such as beds, refrigerators, car seats, etc. be purchased, housed and delivered to at risk families. There is also a requirement that the Organization must collect, warehouse and distribute donated goods. Of the approximately \$324,000 in purchased items and \$134,000 in donated items during the year ended June 30, 2014, approximately \$49,000 and \$5,000, respectively, had not yet been distributed to program beneficiaries as of June 30, 2014. Since the Organization does not have any ownership of these items and must distribute them to program beneficiaries, no inventory has been reflected in the accompanying statement of financial position.

ORANGE COUNTY CHILD ABUSE PREVENTION CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Note 10: Subsequent Events

The Organization is in negotiations to lease office space under the terms of a non-cancellable operating lease. Upon the execution of the agreement the Organization's future minimum lease payments, as indicated in Note 4, will increase by the minimum payments of the lease agreement.

Events occurring after June 30, 2014 have been evaluated for possible adjustment to the financial statements or disclosure as of September 29, 2014, which is the date the financial statements were available to be issued.