

**The Young Women's Project
Financial Statements
September 30, 2015 and 2014**



Young Women's Project

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Young Women's Project
Washington, DC

We have audited the accompanying financial statements of The Young Women's Project, which comprise the statements of financial position as of September 30, 2015 and 2014, 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 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 auditors consider internal control relevant to the entity'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 Young Women's Project'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 Young Women's Project as of September 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

February 26, 2016

THE YOUNG WOMEN'S PROJECT
STATEMENTS OF FINANCIAL POSITION

	SEPTEMBER 30,	
ASSETS	2015	2014
CURRENT ASSETS:		
Cash and cash equivalents	\$ 169,663	\$ 100,085
Grants and contributions receivable	108,500	50,000
Prepaid expenses and other assets	8,002	4,081
TOTAL CURRENT ASSETS	\$ 286,165	\$ 154,166
LONG TERM ASSETS:		
Furniture and equipment, net of accumulated depreciation of \$70,975 and \$66,536, respectively	\$ 7,814	\$ 7,723
Deposits	11,324	3,125
TOTAL LONG TERM ASSETS	\$ 19,138	\$ 10,848
TOTAL ASSETS	\$ 305,303	\$ 165,014
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 9,962	\$ 8,177
TOTAL CURRENT LIABILITIES	\$ 9,962	\$ 8,177
NET ASSETS:		
Unrestricted	\$ 89,159	\$ 46,837
Temporarily restricted	206,182	110,000
TOTAL NET ASSETS	\$ 295,341	\$ 156,837
TOTAL LIABILITIES AND NET ASSETS	\$ 305,303	\$ 165,014

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S PROJECT

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED SEPTEMBER 30,

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUE AND SUPPORT:						
Grants and contributions	\$ 127,070	\$ 407,000	\$ 534,070	\$ 117,000	\$ 262,000	\$ 379,000
Peer educator contract	99,998	-	99,998	-	-	-
In-kind contributions	62,330	-	62,330	38,800	-	38,800
Interest income	82	-	82	150	-	150
Other revenue	1,193	-	1,193	248	-	248
Net assets released from restriction	310,818	(310,818)	-	269,367	(269,367)	-
TOTAL REVENUE AND SUPPORT	\$ 601,491	\$ 96,182	\$ 697,673	\$ 425,565	\$ (7,367)	\$ 418,198
EXPENSES:						
Program services:						
Teen led programs:						
Peer Health and Sexuality Education	\$ 263,103	\$ -	\$ 263,103	\$ 181,916	\$ -	\$ 181,916
Foster Care Campaign	163,476	-	163,476	140,398	-	140,398
Capacity Building	56,085	-	56,085	-	-	-
Other programs	22,863	-	22,863	56,435	-	56,435
Total program services	<u>\$ 505,527</u>	<u>\$ -</u>	<u>\$ 505,527</u>	<u>\$ 378,749</u>	<u>\$ -</u>	<u>\$ 378,749</u>
Supporting services:						
Management and general	\$ 30,696	\$ -	\$ 30,696	\$ 15,253	\$ -	\$ 15,253
Development	22,946	-	22,946	21,707	-	21,707
Total supporting services	<u>\$ 53,642</u>	<u>\$ -</u>	<u>\$ 53,642</u>	<u>\$ 36,960</u>	<u>\$ -</u>	<u>\$ 36,960</u>
TOTAL EXPENSES	\$ 559,169	\$ -	\$ 559,169	\$ 415,709	\$ -	\$ 415,709
CHANGE IN NET ASSETS	\$ 42,322	\$ 96,182	\$ 138,504	\$ 9,856	\$ (7,367)	\$ 2,489
NET ASSETS, BEGINNING OF YEAR	<u>46,837</u>	<u>110,000</u>	<u>156,837</u>	<u>36,981</u>	<u>117,367</u>	<u>154,348</u>
NET ASSETS, END OF YEAR	<u><u>\$ 89,159</u></u>	<u><u>\$ 206,182</u></u>	<u><u>\$ 295,341</u></u>	<u><u>\$ 46,837</u></u>	<u><u>\$ 110,000</u></u>	<u><u>\$ 156,837</u></u>

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S PROJECT
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Peer Health and Sexuality Education	Foster Care Campaign	Capacity Building	Other Programs	Total Program Services	Management and General	Development	Total
PERSONNEL COSTS:								
Salaries and wages	\$ 130,192	\$ 82,419	\$ 29,832	\$ 13,771	\$ 256,214	\$ 13,300	\$ 14,231	\$ 283,745
Payroll taxes	9,886	6,365	2,746	1,427	20,424	1,247	1,329	23,000
Fringe benefits	7,903	5,003	1,811	836	15,553	807	864	17,224
Total personnel costs	<u>\$ 147,981</u>	<u>\$ 93,787</u>	<u>\$ 34,389</u>	<u>\$ 16,034</u>	<u>\$ 292,191</u>	<u>\$ 15,354</u>	<u>\$ 16,424</u>	<u>\$ 323,969</u>
OTHER EXPENSES:								
Depreciation	\$ 1,917	\$ 1,242	\$ 533	\$ 252	\$ 3,944	\$ 241	\$ 254	\$ 4,439
Food	1,926	305	90	39	2,360	36	27	2,423
In-kind	21,657	33,423	-	-	55,080	7,250	-	62,330
Meetings and travel	804	200	9	-	1,013	41	5	1,059
Office expenses	8,268	2,996	3,179	598	15,041	594	548	16,183
Other	905	252	59	45	1,261	148	31	1,440
Professional fees	4,980	3,184	7,566	1,134	16,864	2,523	743	20,130
Rent and occupancy	37,042	23,859	10,150	4,679	75,730	4,438	4,859	85,027
Repairs and maintenance	118	80	43	35	276	32	21	329
Staff nurturing	219	435	67	47	768	39	34	841
Stipends	37,286	3,713	-	-	40,999	-	-	40,999
Total other expenses	<u>\$ 115,122</u>	<u>\$ 69,689</u>	<u>\$ 21,696</u>	<u>\$ 6,829</u>	<u>\$ 213,336</u>	<u>\$ 15,342</u>	<u>\$ 6,522</u>	<u>\$ 235,200</u>
TOTAL EXPENSES	<u><u>\$ 263,103</u></u>	<u><u>\$ 163,476</u></u>	<u><u>\$ 56,085</u></u>	<u><u>\$ 22,863</u></u>	<u><u>\$ 505,527</u></u>	<u><u>\$ 30,696</u></u>	<u><u>\$ 22,946</u></u>	<u><u>\$ 559,169</u></u>

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S PROJECT
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Peer Health and Sexuality Education	Foster Care Campaign	Other Programs	Total Program Services	Management and General	Development	Total
PERSONNEL COSTS:							
Salaries and wages	\$ 95,080	\$ 78,415	\$ 34,490	\$ 207,985	\$ 4,600	\$ 13,282	\$ 225,867
Payroll taxes	7,912	6,572	3,346	17,830	444	1,275	19,549
Fringe benefits	6,677	5,533	2,518	14,728	2,908	986	18,622
Total personnel costs	<u>\$ 109,669</u>	<u>\$ 90,520</u>	<u>\$ 40,354</u>	<u>\$ 240,543</u>	<u>\$ 7,952</u>	<u>\$ 15,543</u>	<u>\$ 264,038</u>
OTHER EXPENSES:							
Depreciation	\$ 1,484	\$ 1,315	\$ 693	\$ 3,492	\$ 92	\$ 258	\$ 3,842
Food	1,316	470	396	2,182	36	111	2,329
In-kind	17,400	17,400	-	34,800	4,000	-	38,800
Meetings and travel	564	80	-	644	83	-	727
Office expenses	3,792	2,662	1,319	7,773	179	501	8,453
Other	877	915	297	2,089	286	115	2,490
Professional fees	5,826	3,980	2,268	12,074	1,135	893	14,102
Rent and occupancy	25,361	20,723	10,965	57,049	1,470	4,231	62,750
Repairs and maintenance	350	282	143	775	20	55	850
Stipends	14,744	2,051	-	16,795	-	-	16,795
Teen nurturing	533	-	-	533	-	-	533
Total other expenses	<u>\$ 72,247</u>	<u>\$ 49,878</u>	<u>\$ 16,081</u>	<u>\$ 138,206</u>	<u>\$ 7,301</u>	<u>\$ 6,164</u>	<u>\$ 151,671</u>
TOTAL EXPENSES	<u><u>\$ 181,916</u></u>	<u><u>\$ 140,398</u></u>	<u><u>\$ 56,435</u></u>	<u><u>\$ 378,749</u></u>	<u><u>\$ 15,253</u></u>	<u><u>\$ 21,707</u></u>	<u><u>\$ 415,709</u></u>

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S PROJECT

STATEMENTS OF CASH FLOWS

	FOR THE YEARS ENDED SEPTEMBER 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 138,504	\$ 2,489
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,439	3,842
Changes in assets and liabilities:		
Grants and contributions receivable	(58,500)	10,000
Prepaid expenses and other assets	(3,921)	1,039
Deposits	(8,199)	-
Accounts payable and accrued expenses	1,785	99
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 74,108	\$ 17,469
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of furniture and equipment	\$ (4,530)	\$ (4,129)
NET CASH USED IN INVESTING ACTIVITIES	\$ (4,530)	\$ (4,129)
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 69,578	\$ 13,340
CASH AND CASH EQUIVALENTS:		
BEGINNING OF YEAR	100,085	86,745
END OF YEAR	\$ 169,663	\$ 100,085

The accompanying notes are an integral part of these financial statements.

THE YOUNG WOMEN'S PROJECT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015 AND 2014

Note 1. Organization and Summary of Significant Accounting Policies

Organization - The Young Women's Project (the Project) was organized and is operated exclusively for charitable and educational purposes, which include the improvement of the condition of young women's lives, and the training and education of young women. Members of the Project support the Project's mission and goals and a network of peer educators.

The Project is a multicultural organization that builds the leadership and power of young women in Washington, D.C. (DC) so they can shape DC policies and institutions to expand rights and opportunities for DC youth. The Project's programs guide youth through a process of personal transformation so they can become leaders in their peer groups, schools, families, and communities who are able to analyze problems, identify solutions, and advocate for change. The Project was founded in 1994 as an organization by and for young women but now involves a growing number of young men. Young people work side by side with adults on our Board of Directors, as staff, and as volunteers.

The following are programs conducted by the Project:

The Peer Health and Sexuality Education Project (PHASE) is a teen-adult partnership that works to improve DC teens' reproductive health by expanding comprehensive sexuality education, ensuring access to community and school based reproductive health care, and engaging teen women and men as peer educators and decision makers on reproductive health issues.

The Foster Care Campaign (FCC) builds the power of foster youth - training them as leaders and advocates, who work to expand educational options, improve placement conditions, decrease youth poverty, and expand youth rights for the 500 older youth in the system.

Capacity Building focuses on three main areas: website development, strategic planning, and board development. This work, which has been funded and is taking shape during the 2015 and 2016 program years, focuses on four areas: 1) develop, design, and expand the Project's website and social media capacity; and 2) complete a strategic planning and staff-board development process that provides essential organizational and environmental assessment information, produces a strategic plan and work plan that guides program expansion and organizational infrastructure development, and provides needed staff-board support and capacity building to move the plan forward; 3) share the rights, resources, results, and lessons gained through many years of successful advocacy and youth development work; and 4) build an alumni and individual donor network to expand capacity and raise funds from individuals and corporations.

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when the obligation is incurred.

THE YOUNG WOMEN'S PROJECT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015 AND 2014

Note 1. **Organization and Summary of Significant Accounting Policies (Continued)**

Basis of Presentation - The Project presents its financial statements in conformity with the codification topic relating to *Financial Statements of Not-for-Profit Organizations*, issued by the Financial Accounting Standards Board (FASB). Under this FASB topic, the Project is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted net assets depending on the existence or nature of any donor restrictions.

Unrestricted net assets - consists of assets, public support, and program revenues that are available and used for operations and programs. The net assets are not subject to donor-imposed stipulations.

Temporarily restricted net assets - net assets whose use by is subject to donor-imposed stipulations that can be fulfilled by actions of the Project pursuant to those stipulations or that expire by the passage of time.

Permanently restricted net assets - comprised of net assets subject to permanent donor restrictions that stipulate the assets be maintained permanently, but allows part or all of the income from donated assets to be spent. There were no permanently restricted net assets as of September 30, 2015 and 2014.

Cash and Cash Equivalents - For financial statement purposes, the Project considers all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents.

Fair Value of Measurements - The Project measures fair values and discloses such information regarding its assets and liabilities as required by the *Fair Value Measurements* topic of the FASB Accounting Standards Codification.

Grants and Contributions Receivable - Unconditional grants and contributions receivable are recorded at net realizable value. The Project expects all grants and contributions receivable at September 30, 2015 and 2014 to be received within one year and no allowance has been recorded for uncollectible amounts.

Furniture and Equipment - Acquisitions of furniture and equipment greater than \$300 are capitalized at cost and depreciated using the straight-line method over estimated useful lives of three to seven years.

Revenue Recognition - Grants and contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions. Contributions are recognized as revenue at the earlier of when they are received or unconditionally pledged. Conditional grants and contributions are not included as support until the conditions are substantially met.

THE YOUNG WOMEN'S PROJECT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015 AND 2014

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported on the statements of activities as net assets released from restriction.

The Project recognizes contract revenue when the services are performed and revenue is earned.

The Project reports in-kind contributions as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. In-kind gifts received include wages for summer teen employees paid for by the DC Summer Youth Employment Program. Total in-kind gifts received for the years ended September 30, 2015 and 2014 totaled \$62,330 and \$38,800, respectively.

Income Taxes - The Project is generally exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Project qualifies for charitable contribution deductions and has been classified as an organization that is not a private foundation. Business income, which is not related to exempt purposes, less applicable deductions, is subject to Federal and state corporate income taxes. The Project had no net unrelated business income for the years ended September 30, 2015 and 2014. The tax returns for the fiscal years 2012 to 2014 are subject to review and examination by federal, state and local authorities.

The Project complies with the provisions of the Statement of Financial Accounting Standards Board Codification topic *Accounting for Uncertainty in Income Taxes*. For the years ended September 30, 2015 and 2014, no unrecognized tax provision or benefit exists.

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 at the date of the financial statements, and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Expense Allocation - Directly identifiable expenses are charged to specific programs and supporting services. Expenses related to more than one function are charged to programs and supporting services based upon periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function, but contribute to the overall support and direction of the Project.

THE YOUNG WOMEN'S PROJECT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015 AND 2014

Note 2. **Concentration of Credit Risk** - Financial instruments which potentially subject the Project to concentration of credit risk include cash deposits with commercial banks. The Project's cash management policies limit its exposure by maintaining accounts at a financial institution whose deposits are insured by the Federal Deposit Insurance Corporation, as well as maintaining an investment sweep arrangement through which excess funds are invested outside of the financial institution overnight. Management does not consider this a significant concentration of credit risk.

Note 3. **Temporarily Restricted Net Assets** - Temporarily restricted net assets restricted due to purpose consist of the following at September 30:

	2015	2014
Peer Health and Sexuality Education	\$ 109,063	\$ 50,000
Foster Care Campaign	50,000	60,000
Capacity Building	47,119	--
Totals	\$ 206,182	\$ 110,000

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by the donors for the years ended September 30, 2015 and 2014 in the amounts of \$310,818 and \$269,367, respectively.

Note 4. **Commitments and Contingencies** - On October 23, 2014, the Project was assigned all of the rights, covenants, agreements and obligations under a sublease between Work District, LLC (Assignor) and Citadel Fitness, LLC (Landlord). The term of the lease agreement is from October 16, 2014 through May 15, 2017.

For the years ended September 30, 2015 and 2014, occupancy expense, including operating costs and utilities, totaled \$85,027 and \$62,750, respectively.

The future minimum lease payments under the sublease agreement are as follows:

Fiscal Year Ending September 30,			
2016		\$	68,364
2017			42,728
Total		\$	111,092

Note 5. **Subsequent Events** - The Project evaluated subsequent events for potential required disclosure through February 26, 2016, which is the date financial statements were available to be issued.