

**KING COUNTY COALITION
AGAINST DOMESTIC VIOLENCE**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT**

DECEMBER 31, 2012 AND 2011



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
King County Coalition Against Domestic Violence
Seattle, Washington

We have audited the accompanying financial statements of King County Coalition Against Domestic Violence (a nonprofit organization), which comprise the statements of financial position as of December 31, 2012 and 2011, 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 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 auditor's 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 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 entity'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 King County Coalition Against Domestic Violence as of December 31, 2012 and 2011, 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.

A handwritten signature in black ink that reads "Jones & Associates LLC, CPAs". The signature is written in a cursive, flowing style.

Jones & Associates, LLC CPAs
April 16, 2013

TEL 206.525.5170
FAX 206.525.0678
1701 NE 104th Street
Seattle, WA 98125-7646
www.judyjonescpa.com

**KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2012 AND 2011**

	2012	2011
ASSETS		
Cash and cash equivalents	\$ 361,508	\$ 301,419
Grants and contracts receivable	84,580	55,756
Prepaid expenses and deposits	4,748	3,490
Total current assets	450,836	360,665
Property and equipment	7,920	7,920
Less: accumulated depreciation	(7,920)	(7,920)
Total property and equipment	-	-
	\$ 450,836	\$ 360,665
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 30,520	\$ 21,673
Accrued payroll and taxes	22,660	14,908
Deferred membership dues and contracts	3,520	3,320
Total current liabilities	56,700	39,901
 NET ASSETS		
Unrestricted	365,136	316,764
Temporarily restricted	29,000	4,000
	394,136	320,764
	\$ 450,836	\$ 360,665

**KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
UNRESTRICTED NET ASSETS		
REVENUES		
Grants and contracts	\$ 838,495	\$ 360,170
Contributions	35,193	58,452
Special events	32,281	6,236
Program and training fees	3,500	3,475
Membership dues	15,000	19,520
Interest and other income (loss)	(14)	1,188
	924,455	449,041
Net assets released from restriction:		
Satisfaction of program requirements	4,000	5,000
Satisfaction of time requirements	5,000	-
	933,455	454,041
EXPENSES		
Program services	797,023	369,950
Management and general	49,936	43,939
Fundraising	38,124	15,466
	885,083	429,355
CHANGE IN UNRESTRICTED NET ASSETS	48,372	24,686
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	34,000	4,000
Released from restriction	(9,000)	(5,000)
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	25,000	(1,000)
CHANGE IN NET ASSETS	73,372	23,686
NET ASSETS		
Beginning of the year	320,764	297,078
End of the year	\$ 394,136	\$ 320,764

**KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2012**

	Program Services				Support Services				
	Coalition	Mental Health	Systems Change	LGBTQ Access	Total	Management and General	Fund-raising	Total	Total
Salaries and wages	\$ 26,119	\$ 112,159	\$ 27,505	\$ 66,862	\$ 232,645	\$ 31,462	\$ 23,992	\$ 55,454	\$ 288,099
Benefits	4,615	15,449	3,465	9,384	32,913	4,329	3,434	7,763	40,676
Payroll taxes	2,111	9,065	2,223	5,404	18,803	2,543	1,939	4,482	23,285
Total salaries and related	32,845	136,673	33,193	81,650	284,361	38,334	29,365	67,699	352,060
Accountant	-	-	-	-	-	6,168	-	6,168	6,168
Consultants and contractors	3,958	68,226	1,955	68,796	142,935	90	3,420	3,510	146,445
One-time funding grants	301,094	-	-	-	301,094	-	-	-	301,094
Supplies	1,212	3,635	775	2,229	7,851	1,018	824	1,842	9,693
Postage	186	559	119	343	1,207	157	127	284	1,491
Communications	909	2,727	582	1,673	5,891	764	618	1,382	7,273
Printing	271	560	755	181	1,767	-	589	589	2,356
Occupancy	1,508	4,523	965	2,774	9,770	1,266	1,025	2,291	12,061
Travel	117	22,316	351	1,109	23,893	69	-	69	23,962
Training	300	130	-	330	760	165	665	830	1,590
Honoraria	-	400	600	-	1,000	-	-	-	1,000
Meeting space	1,050	250	90	875	2,265	120	363	483	2,748
Refreshments	2,574	1,506	183	7	4,270	84	685	769	5,039
Dues	216	573	6,651	144	7,584	268	91	359	7,943
Advertising	100	-	-	-	100	-	114	114	214
Insurance	316	947	202	581	2,046	265	215	480	2,526
Miscellaneous	35	106	23	65	229	1,168	23	1,191	1,420
Total functional expenses before depreciation	346,691	243,131	46,444	160,757	797,023	49,936	38,124	88,060	885,083
Depreciation	-	-	-	-	-	-	-	-	-
Total functional expenses	<u>\$ 346,691</u>	<u>\$ 243,131</u>	<u>\$ 46,444</u>	<u>\$ 160,757</u>	<u>\$ 797,023</u>	<u>\$ 49,936</u>	<u>\$ 38,124</u>	<u>\$ 88,060</u>	<u>\$ 885,083</u>

See accompanying notes to financial statements.

**KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2011**

	Program Services				Support Services				
	Coalition	Mental Health	Systems Change	LGBTQ Access	Total	Management and General	Fund-raising	Total	Total
Salaries and wages	\$ 38,342	\$ 117,387	\$ 33,942	\$ -	\$ 189,671	\$ 25,564	\$ 5,445	\$ 31,009	\$ 220,680
Benefits	4,962	15,199	4,391	-	24,552	3,307	704	4,011	28,563
Payroll taxes	3,314	10,150	2,935	-	16,399	2,210	470	2,680	19,079
Total salaries and related	46,618	142,736	41,268	-	230,622	31,081	6,619	37,700	268,322
Accountant	-	-	-	-	-	7,471	-	7,471	7,471
Consultants and contractors	5,643	81,493	7,933	-	95,069	408	7,802	8,210	103,279
One-time funding grants	-	-	-	-	-	-	-	-	-
Supplies	394	3,910	896	-	5,200	286	150	436	5,636
Postage	292	832	177	-	1,301	200	40	240	1,541
Communications	818	2,322	495	-	3,635	559	106	665	4,300
Printing	248	345	114	-	707	114	-	114	821
Occupancy	1,987	5,621	1,185	-	8,793	1,368	258	1,626	10,419
Travel	-	9,722	1,196	-	10,918	29	29	58	10,976
Training	-	424	-	-	424	-	-	-	424
Honoraria	617	-	-	-	617	-	-	-	617
Meeting space	1,980	1,236	50	-	3,266	230	-	230	3,496
Refreshments	2,389	2,435	163	-	4,987	75	356	431	5,418
Dues	455	598	1,150	-	2,203	257	42	299	2,502
Advertising	-	-	60	-	60	354	-	354	414
Insurance	483	1,373	292	-	2,148	331	64	395	2,543
Miscellaneous	-	-	-	-	-	1,083	-	1,083	1,083
Total functional expenses before depreciation	61,924	253,047	54,979	-	369,950	43,846	15,466	59,312	429,262
Depreciation	-	-	-	-	-	93	-	93	93
Total functional expenses	<u>\$ 61,924</u>	<u>\$ 253,047</u>	<u>\$ 54,979</u>	<u>\$ -</u>	<u>\$ 369,950</u>	<u>\$ 43,939</u>	<u>\$ 15,466</u>	<u>\$ 59,405</u>	<u>\$ 429,355</u>

See accompanying notes to financial statements.

**KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from grants, contracts, contributions, and special events	\$ 911,345	\$ 418,077
Cash received from fees, dues and other	18,486	24,183
Cash paid to employees and suppliers	(869,742)	(416,519)
	60,089	25,741
 NET CHANGE IN CASH AND EQUIVALENTS	 60,089	 25,741
 CASH AND CASH EQUIVALENTS		
Beginning of the year	301,419	275,678
End of the year	\$ 361,508	\$ 301,419

KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities – King County Coalition Against Domestic Violence (the Coalition) was established in 1990 in King County, Washington, as a membership organization dedicated to ending domestic violence by facilitating collective action for social change. The Coalition provides leadership to domestic violence victim service agencies and their allies in their efforts to improve the community’s response to domestic violence, and provides training, education and outreach to professionals and the public. The Coalition strives to represent the diverse interests of victims and survivors of domestic violence. The Coalition’s programs include:

- **Coalition Membership Services** (information sharing, member training, and leadership): In 2012, the Coalition facilitated networking, information sharing, awareness building, and provider knowledge and skill development via email listservs, membership meetings, domestic violence and sexual assault program directors meetings, “Shop Talk” workshops, and our annual Take Action Against Domestic Violence Awards. The Coalition facilitated the disbursement of funds to victim service agencies that enabled them to assist over 800 survivors with unmet needs such as rent, food, clothing, medical and legal fees, transportation, and education. In addition, the Coalition provided technical assistance to professionals about legal matters, programmatic issues, training and policy resources, mental health, substance use, and interagency collaboration.

- **Systems Change** (legislative and policy advocacy, service coordination, and facilitating changes in organizational policy and practice): In 2012, the Coalition mobilized hundreds of constituents to advocate on local, state-wide, and national issues that affect domestic violence survivors and their families. Together with state, regional and local coalitions, the Coalition successfully opposed cuts to state funding for services upon which survivors depend and secured enhancements to protections for survivor safety and confidentiality. Together with our allies, the Coalition successfully advocated for over \$5.5 million in new local funding for critical human services, including almost \$1 million for sexual assault and domestic violence advocacy services. The Coalition co-convened and facilitated the Domestic Violence Initiative (DVI) with the King County Prosecutor, bringing together over 60 leaders from criminal and civil legal agencies, victim service programs, government, healthcare, and community organizations. 93% of participants said they felt the DVI has helped make concrete improvements to the regional response to domestic violence. In addition, the Coalition identified key concerns for domestic violence survivors involved with family law cases, and developed materials and mechanisms to address them.

KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

(Continued)

- **Mental Health Project:** The Coalition provided cross-disciplinary training to over 450 mental health, chemical dependency, domestic violence, and sexual assault professionals in King County. The Coalition created a guide on helpful practices for cross-disciplinary consultation, arranged 11 consultations between partner agencies, and provided direct consultation to numerous mental health and chemical dependency providers. The Coalition staff shared lessons learned from the Domestic Violence and Mental Health Collaboration Project at state and national conference, distributed the a Domestic Violence Screening and Response Guideline to King County mental health and chemical dependency agencies, and provided technical assistance to several agencies that chose to review and improve their practices.
- **LGBTQ Access Project:** The Coalition launched the LGBTQ Access Project, in partnership with the NW Network of Bisexual, Trans, Lesbian and Gay Survivors of Abuse. Six victim service agencies committed to partner with the project to make significant and visible improvements to increase access to their services for LGBTQ survivors. Over 50 staff members from these “Pacesetter” sites attended a two day orientation and training summit. Project staff developed an Organizational Self-Assessment tool that enables agencies to identify their strengths and barriers in providing quality services for LGBTQ survivors, and the Pacesetter agencies utilized it to conduct their internal reviews and began developing action plans for their priority areas.

Basis of Accounting and Presentation – The financial statements of the Coalition have been prepared on the accrual basis of accounting and report 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. There were no permanently restricted net assets at December 31, 2012 and 2011.

Cash and Cash Equivalents – For purposes of the statements of cash flows, the Coalition considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. At December 31, 2012 and 2011, cash and cash equivalents include checking and savings accounts deposited with major financial institutions. At times, balances may exceed federally insured limits.

Grants and Contracts Receivable – Grants and contracts receivable consist primarily of amounts due from governmental agencies. All account balances are due in less than one year. No allowance for uncollectible balances has been established by management based upon the Coalition’s historical experience in the collection of balances due.

KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 1 – Nature of Activities and Summary of Significant Accounting Policies
(Continued)

Property and Equipment – Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. The Coalition follows a policy whereby it capitalizes purchases of property and equipment with a value in excess of \$5,000 and a useful life greater than one year. Depreciation is computed using the straight-line method over a period of 3 years.

Due to Fiscal Agency Beneficiary – Near the end of 2009, the Coalition secured federal funding to support the expansion of innovative mental health and advocacy services for children affected by domestic violence. Because the Coalition does not directly provide such services, it acted primarily as a fiscal agent and contracted with Sound Mental Health (SMH) to provide the mental health services. The Coalition administered the funding and provided fiscal oversight for the program. The Coalition’s involvement in the program ended mid-way through 2011, when the federal funding ended.

Revenue Recognition – Contributions and grants are recorded as increases in unrestricted or temporarily restricted net assets, depending on the existence and/or nature of any donor restrictions. When a restriction expires, that is when a stipulated time restriction ends or a purpose 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 restrictions.

Donated Goods and Services – Donations of supplies and services are recorded as revenue at the estimated fair value at the date of donation. Donated services are recognized as revenue and corresponding expense when (a) the services received create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Coalition. No donated goods or services were received during the years ended December 31, 2012 and 2011.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Coalition with specific programs, and various committee assignments. No amounts have been recorded for those hours as they did not meet the qualifying criteria for recognition.

Expense Allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Estimates – Management uses estimates and assumptions in preparing these financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 1 – Nature of Activities and Summary of Significant Accounting Policies
(Continued)

Income Tax Status – The Coalition is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Coalition qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under Section 509(a)(1).

The Coalition files information and tax returns in the U.S. federal jurisdiction, and state and local jurisdictions. The Coalition is subject to U.S. federal, state and local examinations by tax authorities for the current year and certain prior years based on applicable laws and regulations.

Reclassifications – Certain amounts in the prior year financial statements have been reclassified to conform to the presentation in the current year financial statements. These reclassifications did not affect the change in net assets for the prior year.

Subsequent Events – Subsequent events were evaluated through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

Note 2 – Cash Flow Information

The following reconciles the change in net assets to net cash provided by operating activities for the years ended December 31:

	2012	2011
Change in net assets	\$ 73,372	\$ 23,686
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	-	93
Change in:		
Grants and contracts receivable	(28,824)	(14,101)
Prepaid expenses and deposits	(1,258)	918
Accounts payable	8,847	20,821
Due to fiscal agency beneficiary	-	(9,823)
Accrued payroll and taxes	7,752	827
Deferred membership dues and contracts	200	3,320
	\$ 60,089	\$ 25,741

KING COUNTY COALITION AGAINST DOMESTIC VIOLENCE
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

Note 3 – Temporarily Restricted Net Assets

Temporarily restricted net assets consist of the following at December 31:

	2012	2011
Training	\$ 15,000	\$ -
For operating support in subsequent year	10,000	-
Fund development planning	4,000	4,000
	<u>\$ 29,000</u>	<u>\$ 4,000</u>

Note 4 – Concentration of Resources from Governmental Entities

The Coalition receives a substantial amount of support from the City of Seattle, King County, and the federal government. Total support from these sources approximated 87% and 79% of total revenue during 2012 and 2011, respectively. A significant reduction in the level of this support, should it occur, would have a significant effect on the Coalition's programs and operations.

Note 5 – Tax-deferred Annuity Plan

The Coalition has a voluntary tax-deferred annuity plan which covers Coalition employees who work a minimum of 20 hours per week. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code.

In addition, the Coalition may contribute a discretionary percentage of gross salaries for qualified employees to a separate SEP-IRA plan each year. During 2012 and 2011, the Coalition contributed 5% of gross salaries for qualified employees, for a total of \$13,670 and \$7,693, respectively.

Note 6 – Related Party Transactions

During 2012, the Coalition paid out grants and contracts totaling \$134,437 to member organizations with representation on the Board of Directors, as part of a requirement of a collaborative grant.