

DINING FOR WOMEN
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2012
(with comparative totals for December 31, 2011)

DINING FOR WOMEN

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McKINLEY, COOPER & CO., LLC

CERTIFIED PUBLIC ACCOUNTANTS

Suite 225

555 North Pleasantburg Drive
Greenville, South Carolina 29607-2191

(864) 233-1800 Fax (864) 232-6971



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Independent Auditor's Report

To the Board of Directors
Dining for Women
Greenville, South Carolina

We have audited the accompanying financial statements of Dining for Women (a nonprofit organization) which comprise the statement of financial position as of December 31, 2012, and the related statements of activities, functional expenses, and cash flows 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.

Auditor's 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. 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.

To the Board of Directors
Dining for Women
April 22, 2013

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dining for Women as of December 31, 2012, 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

We have previously audited the Dining for Women's 2011 financial statements, and our report dated July 23, 2012, expressed an unqualified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2011, is consistent, in all material respects, with the audited financial statements from which it has been derived.

McKinley, Cooper & Co., LLC

April 22, 2013

DINING FOR WOMEN
 STATEMENT OF FINANCIAL POSITION
 DECEMBER 31, 2012
 (with comparative totals for December 31, 2011)

<u>ASSETS</u>			<u>Totals</u>	
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2012</u>	<u>2011</u>
CURRENT ASSETS				
Cash and cash equivalents	\$ 388,263	\$ 1,778	\$ 390,041	\$ 125,066
Investments	5,010	-	5,010	-
Pledges receivable	879	-	879	850
Total assets	<u>\$ 394,152</u>	<u>\$ 1,778</u>	<u>\$ 395,930</u>	<u>\$ 125,916</u>
 LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	\$ 3,041	\$ -	\$ 3,041	\$ 17,517
Programs payable	244,691	-	244,691	66,548
Deferred revenue	20,500	-	20,500	-
Grant program reserve	13,661	-	13,661	-
Total current liabilities	<u>281,893</u>	<u>-</u>	<u>281,893</u>	<u>84,065</u>
NET ASSETS				
Unrestricted	112,259	-	112,259	40,073
Temporarily restricted	-	1,778	1,778	1,778
Total net assets	<u>112,259</u>	<u>1,778</u>	<u>114,037</u>	<u>41,851</u>
Total liabilities and net assets	<u>\$ 394,152</u>	<u>\$ 1,778</u>	<u>\$ 395,930</u>	<u>\$ 125,916</u>

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

DINING FOR WOMEN

STATEMENT OF ACTIVITIES
 YEAR ENDED DECEMBER 31, 2012
 (with comparative totals for 2011)

	Unrestricted	Temporarily Restricted	Totals	
			2012	2011
SUPPORT AND REVENUE				
Contributions for featured programs	\$ 790,896	\$ -	\$ 790,896	\$ 519,079
Contributions for operations	276,617	-	276,617	147,686
Interest	6	-	6	1,443
Chapter registration fees and conferences	16,968	-	16,968	29,110
Total support and revenue	1,084,487	-	1,084,487	697,318
EXPENSES				
Program services	791,281	-	791,281	667,279
Supporting services	175,956	-	175,956	98,378
Fundraising	45,064	-	45,064	21,431
Total expenses	1,012,301	-	1,012,301	787,088
INCREASE (DECREASE) IN NET ASSETS	72,186	-	72,186	(89,770)
NET ASSETS, beginning of year	40,073	1,778	41,851	131,621
NET ASSETS, end of year	\$ 112,259	\$ 1,778	\$ 114,037	\$ 41,851

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

DINING FOR WOMEN

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2012
(with comparative totals for 2011)

	Program Services	Supporting Services	Fundraising	Totals	
				2012	2011
Wages	\$ 73,326	\$ 56,925	\$ 28,207	\$ 158,458	\$ 138,010
Benefits	3,839	2,723	913	7,475	3,600
Taxes	4,791	2,944	786	8,521	9,656
Total compensation and benefits	81,956	62,592	29,906	174,454	151,266
Contributions to featured programs	698,653	-	-	698,653	480,698
Program education and selection expenses	2,158	-	-	2,158	-
Board retreat meals/expenses	-	506	-	506	-
Annual appeal	-	-	3,505	3,505	11,765
Special events	-	-	2,595	2,595	851
Printing	584	-	330	914	4,850
Postage and delivery	805	980	360	2,145	2,509
Training	-	200	1,050	1,250	1,815
Travel and meals	3,713	6,770	796	11,279	8,082
Professional services	2,442	31,254	3,464	37,160	80,867
Volunteer recognition expenses	527	-	-	527	-
Website	-	4,461	-	4,461	420
Computer software, hardware, and supplies	-	5,784	-	5,784	3,338
Office supplies and small equipment	228	1,361	923	2,512	3,376
Rent	-	12,000	-	12,000	9,406
Insurance	-	2,584	-	2,584	2,793
Communications	195	2,567	256	3,018	419
Credit card, Paypal fees	-	44,040	-	44,040	1,496
Cost of products sold	-	-	1,429	1,429	7,137
Other	20	857	450	1,327	16,000
Total expenses	\$ 791,281	\$ 175,956	\$ 45,064	\$ 1,012,301	\$ 787,088
Percentage of total	78%	17%	5%	100%	

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

DINING FOR WOMEN

STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2012
 (with comparative totals for 2011)

	Totals	
	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 72,186	\$ (89,770)
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
(Increase) decrease in pledges receivable	(29)	16,035
Increase (decrease) in accounts payable and accrued expenses	(14,476)	14,312
Increase (decrease) in programs payable	178,143	35,961
Increase (decrease) in deferred revenue	20,500	-
Increase (decrease) in grant program reserve	13,661	-
Net cash provided (used) by operating activities	<u>269,985</u>	<u>(23,462)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in investments	(5,010)	-
Net cash provided (used) by operating activities	<u>(5,010)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	264,975	(23,462)
CASH AND CASH EQUIVALENTS, beginning of year	<u>125,066</u>	<u>148,528</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 390,041</u>	<u>\$ 125,066</u>

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

DINING FOR WOMEN

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Dining for Women is a South Carolina nonprofit corporation chartered in 2003. Its purpose is to empower women living in extreme poverty by funding worldwide programs fostering physical, emotional, and economic self-sufficiency through the power of collective giving.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recorded when incurred.

Financial Statement Presentation

The Organization's financial statements are presented in accordance with FASB ASC 958-205 Not-for-Profit Presentation of Financial Statements. In accordance with FASB ASC 958-205, the Organization 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. In addition, the Organization is required to present a statement of cash flows.

Income Tax Status

The Organization has obtained exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as an organization which is not a private foundation as well as an eleemosynary corporation recognized in South Carolina. Therefore, no provision for income taxes has been included in the financial statements.

Financial Accounting Standards Board (FASB) ASC 740-10 prescribes a comprehensive model for how an organization should measure, recognize, present, and disclose in its financial statements uncertain tax positions that the Organization has taken or expects to be taken on a tax return. In accordance with FASB ASC 740-10, the Organization recognizes the tax benefits from uncertain tax positions only if it is more-likely-than-not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The Organization's income tax filings are subject to audit by various taxing authorities. The Organization's open audit periods are 2009-2012. Management believes there was no significant impact on the Organization's financial statements as a result of the adoption of ASC 740-10.

Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, pledges receivable, and current liabilities approximate fair value because of the terms and relative short maturity of these financial instruments.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. 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 in the Statement of Activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as unrestricted contributions.

Donated Services

No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs and various committee assignments.

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 and disclosure 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.

Investments

Investments in equity securities with readily determinable fair values are measured at fair value in the statement of financial position. Donations and gifts made to the Organization in the form of stock or other securities are liquidated as soon as possible to avoid capital gains and/or losses.

Prior Year 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2011, from which the summarized information was derived.

NOTE 2 – PLEDGES RECEIVABLE

Pledges receivable represents the amount of unconditional promises to give expected to be collected during the next fiscal year.

NOTE 3 – NET ASSET CLASSIFICATIONS

Temporarily restricted net assets at December 31, 2012 and 2011, consist of contributions collected during the fiscal year but not yet disbursed for intended purposes. Temporarily restricted net assets are comprised of the following amounts and purposes at December 31, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Scholarship program	<u>\$ 1,778</u>	<u>\$ 1,778</u>

NOTE 4 – LEASES

The Organization leases office space from a third party. Rent expense for the years ended December 31, 2012 and 2011 was \$12,000 and \$8,700, respectively. The lease agreement ended on December 31, 2012 and was renewed through February 28, 2016. The lease agreement calls for monthly rent of \$1,600 through February 28, 2014, monthly rent of \$1,700 through February 28, 2015, and monthly rent of \$1,800 through February 28, 2016.

NOTE 5 – CONTRIBUTIONS TO FEATURED PROGRAMS

Contributions by Dining for Women to featured programs for the years ended December 31, 2012 and 2011 are comprised of the following:

2012		2011	
India Literacy Project	\$ 2,826	BOMA Fund	\$ 27,419
Project Muso	13,728	Matrichaya	34,059
Nepal Youth Foundation	46,831	Prevention International	36,698
Starfish One by One	47,315	Village Enterprise	38,894
Women's Earth Alliance	60,091	Lotus Outreach	39,762
Afghan Friends Network	72,616	Mujeres Aliadas	42,263
Children of Vietnam	60,526	Shining Hope for Communities	36,294
Maasai Girls Education Fund	33,115	Emerge Global	30,902
Huru International	33,138	Nurturing Minds	29,091
Transitions Global	54,263	Fistula Foundation	57,106
Global Grassroots	50,628	Mercado Global	39,030
Health in Harmony	33,000	Scholarships and Other	69,180
Anchal	63,110		<u>\$ 480,698</u>
Inmed	15,000		
The Pachamama Alliance	61,491		
Girl Determined	37,935		
Other	13,040		
	<u>\$ 698,653</u>		

NOTE 6 – PROGRAM PAYABLE

The Organization receives funds designated for a different Charity each month. The payments are remitted approximately 60 days after the month-end. Payables at December 31, 2012 and 2011 are due to the following programs:

2012		2011	
Afghan Friends Network	\$ 34,819	India Literacy	\$ 43,183
Anchal	49,337	Project Muso	22,798
Oxlajuj B'atz	15,000	Other Programs	567
The Pachamama Alliance	61,491		<u>\$ 66,548</u>
Girl Determined	37,935		
Massai Girls Education Fund	15,904		
Children of Vietnam	30,099		
Other Programs	106		
	<u>\$ 244,691</u>		

NOTE 7 – FAIR VALUE MEASUREMENTS

The FASB *Fair Value Measurement* standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable. The Organization has adopted this standard for its financial assets and liabilities measured on a recurring and nonrecurring basis (ASC 820-10).

Fair Value Measurement defines fair value as the amount that would be received from the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants, (i.e., an exit price). To estimate an exit price, a three-tier hierarchy is used to prioritize the inputs:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or by other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Inputs refer broadly to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics and other factors.

The following tables summarize the valuation of the Organization's financial assets measured at fair value as of December 31, 2012, based on the level of input utilized to measure fair value:

<u>Assets measured at fair value</u>	<u>Level 1</u>	<u>2012</u>
Stocks and exchange traded funds	\$ 5,010	\$ 5,010
Total assets at fair value	<u>\$ 5,010</u>	<u>\$ 5,010</u>

Prices for equity stocks and options are readily available in the active markets in which those securities are traded, and the resulting fair values are shown in the "Level 1" valuations.

While the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting rate.

NOTE 8 – INVESTMENTS

The Organization had the following investments at December 31, 2012:

	<u>Cost</u>	<u>Fair Value</u>
Equity investments	\$ 5,010	\$ 5,015
	<u>\$ 5,010</u>	<u>\$ 5,015</u>

No investments were held at December 31, 2011.

NOTE 9 – DEFERRED REVENUE

Deferred revenue consists of grant proceeds received for which the Organization has not yet incurred the corresponding expenses. These amounts will be recorded in the statement of activities when the activities are completed.

NOTE 10 – SUBSEQUENT EVENTS

Before yearend, in accordance with the investment policy, the Organization began a trade of its investments for cash value. The trade was completed after yearend.

Subsequent events have been evaluated through April 22, 2013, which is the date the financial statements were available to be issued.