

**DINING FOR WOMEN**  
**AUDITED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

## DINING FOR WOMEN

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# Greene Finney, LLP

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

## INDEPENDENT AUDITOR'S REPORT

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 statements of financial position as of December 31, 2018 and 2017, and the related statements of activities 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.

### Auditor's 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 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 Dining for Women as of December 31, 2018 and 2017, 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.

*Greene Finney, LLP*

Greene Finney, LLP  
Mauldin, South Carolina  
April 12, 2019

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**DINING FOR WOMEN  
STATEMENTS OF FINANCIAL POSITION  
AS OF DECEMBER 31,**

	<u><b>2018</b></u>	<u><b>2017</b></u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 730,626	\$ 726,966
Investments	-	8,182
Accounts receivable	1,867	1,950
Prepaid expenses and deposits	40,919	51,746
Total assets	<u><u>\$ 773,412</u></u>	<u><u>\$ 788,844</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 90,909	\$ 212,092
Deferred revenue	-	85,800
Program grants payable	90,516	92,263
Total liabilities	<u>181,425</u>	<u>390,155</u>
<b>NET ASSETS</b>		
Without donor restrictions:		
Undesignated	306,987	136,189
Board designated reserves	285,000	262,500
Total net assets	<u>591,987</u>	<u>398,689</u>
Total liabilities and net assets	<u><u>\$ 773,412</u></u>	<u><u>\$ 788,844</u></u>

The notes to the financial statements are an integral part of these financial statements.  
See the accompanying independent auditor's report.

**DINING FOR WOMEN  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2018</u>	<u>2017</u>
<b>WITHOUT DONOR RESTRICTIONS</b>		
Program and fundraising revenues		
Chapter revenues	\$ 1,327,560	\$ 1,199,206
Grant revenues	37,500	16,000
Events revenues	114,942	-
Fundraising campaign revenues	492,619	478,336
Total program and fundraising revenues	<u>1,972,621</u>	<u>1,693,542</u>
 Program expenses		
Featured and sustained grants	672,208	748,430
Partnership grants	100,000	100,000
Compensation and benefits	357,300	307,300
Contract labor	12,998	15,408
Program events	128,899	-
Education and program oversight	115,115	86,198
Total program expenses	<u>1,386,520</u>	<u>1,257,336</u>
 Management expenses		
Compensation and benefits	70,808	83,448
Contract services	58,643	45,100
Rent	30,900	28,200
Insurance	8,715	8,015
Meals and expenses	2,293	1,990
Board of directors expenses	6,385	12,168
Phone, internet and technology	38,858	33,473
Office supplies and postage	8,178	9,169
Licenses and permits	4,205	3,947
Dues and subscriptions	8,995	5,819
Bank and credit card fees	55,162	55,293
Total management expenses	<u>293,142</u>	<u>286,622</u>
 Fundraising expenses		
Marketing labor and materials	39,061	43,960
Compensation and benefits	60,600	73,700
Total fundraising expenses	<u>99,661</u>	<u>117,660</u>
 Increase in net assets without donor restrictions	193,298	31,924
 Net assets, beginning of year	398,689	366,765
 Net assets, end of year	<u><u>\$ 591,987</u></u>	<u><u>\$ 398,689</u></u>

The notes to the financial statements are an integral part of these financial statements.  
See the accompanying independent auditor's report.

**DINING FOR WOMEN  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31,**

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 193,298	\$ 31,924
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
(Increase) Decrease in operating assets:		
Investments being converted to cash	8,182	(3,526)
Accounts receivable	83	(1,130)
Prepaid expenses and deposits	10,827	(34,746)
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued expenses	(121,183)	96,039
Deferred revenue	(85,800)	73,300
Program grants payable	(1,747)	(89,839)
Net cash provided by operating activities	<u>3,660</u>	<u>72,022</u>
Net increase in cash and cash equivalents	3,660	72,022
CASH AND CASH EQUIVALENTS, beginning of year	726,966	654,944
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 730,626</u></u>	<u><u>\$ 726,966</u></u>

The notes to the financial statements are an integral part of these financial statements.  
See the accompanying independent auditor's report.

**DINING FOR WOMEN**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Dining for Women (the “Organization”) is a South Carolina nonprofit corporation chartered in 2003. Its purpose is to empower women 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 in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) 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 Financial Accounting Standards Board (“FASB”) ASC 958-205 *Not-for-Profit Presentation of Financial Statements*. In accordance with Accounting Standards Update (“ASU”) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), the Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. 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.

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.

**Fair Value of Financial Instruments**

The carrying values of cash and cash equivalents, receivables, 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 liquid investments with an original maturity of three months or less to be cash equivalents.



## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **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, typically in less than ninety days from receipt. The investments held by the organization at December 31, 2017 were stocks and mutual funds that were in the process of being liquidated. No investments were being held at December 31, 2018.

### **Revenue and Support With and Without Donor Restriction**

Contributions received are recorded as support without donor restriction and with donor restriction, depending on the existence and/or nature of any donor restrictions. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets without donor restriction. Contributions received with donor restrictions that are met in the same year in which the contributions are received are classified as contributions without donor restriction.

### **Donated Services**

No amounts have been reflected in the financial statements for donated services. 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 US GAAP 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.

### **Recent Accounting Pronouncements**

The FASB has recently issued several ASUs. A summary of the ASUs most relevant to the Organization are as follows:

In May 2014, the FASB issued **ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)***. The objective of the new guidance is to establish principles to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue from contracts with customers. This ASU determines that entities recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new guidance:

1. Removes inconsistencies and weaknesses in existing revenue requirements
2. Provides a more robust framework for addressing revenue issues
3. Improves comparability of revenue recognition practices across entities, industries, jurisdictions, and capital markets
4. Provides more useful information to users of financial statements through improved disclosure requirements, and
5. Simplifies the preparation of financial statements by reducing the number of requirements to which an organization must refer.

Several clarifying standards related to this ASU have been issued since May 2014. The ASU is effective for nonpublic organizations beginning for annual reporting periods after December 15, 2017. The Organization does not have revenues from contracts with customers, thus this standard had no significant effect on the organization upon its implementation in the year ended December 31, 2018.

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **Recent Accounting Pronouncements (Continued)**

In February 2016, the FASB issued **ASU 2016-02, *Leases (Topic 842)***. This ASU establishes the principles to report transparent and economically neutral information about the assets and liabilities that arise from leases. Under this standard, the lessee is required to recognize most leases on its statement of financial position, whereas previous guidance has allowed the lessee to classify operating leases on the statement of activities. This ASU has had clarification updates through December 2018. The ASU is effective for nonpublic organizations beginning for annual reporting periods after December 15, 2019. The Organization has not yet implemented this ASU. The Organization is currently evaluating the effects of this ASU.

In August 2016, the FASB issued **ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)***, which is the first of two phases that revises the way that all not-for-profits (“NFPs”) present financial statements. Key measures of this ASU are:

1. The reduction of the three existing net asset classes (unrestricted, temporarily restricted, and permanently restricted) to two net asset classes: *net assets without donor restrictions* and *net assets with donor restrictions*.
2. An analysis of expenses both by function and natural classification either on the face of the statement of activities, as a separate statement, or within the footnotes to the financial statements.
3. Enhancing the disclosures surrounding donor restrictions and Board designations and providing information on the non-for-profit’s financial assets and their liquidity.
4. Presentation of investment expenses netted against investment return.
5. Removing the requirement to show a reconciliation of the direct method of cash flows with the indirect method of cash flows within the statement of cash flows.

This ASU is effective for annual financial statements issued for fiscal years beginning after December 15, 2017. The Organization has implemented this ASU for the year ended December 31, 2018 and retroactively for the year ended December 31, 2017, with no significant effects.

In November 2016, the FASB issued **ASU 2016-18, *Statement of Cash Flows (Topic 230)***, which requires that the statement of cash flows explains the change during the reporting period in cash and cash equivalents, and restricted cash and cash equivalents. Therefore, restricted cash is defined as being included in the reconciliation of the total change in cash as presented on the statement of cash flows. Prior to this ASU, there was no guidance that specified how to treat restricted cash, and how to treat transfers between restricted cash and cash that is not restricted.

This ASU is effective for annual financial statements of nonpublic organizations issued for fiscal years beginning after December 15, 2018. The Organization has not yet implemented this ASU. The Organization is currently evaluating the effects of this ASU.

In June 2018, the FASB issued **ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)***. This standard clarifies and improves the scope and the accounting guidance for contributions received and contributions made. The amendments in this standard should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, *Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The standard is effective for entities that serve as the resource recipient for annual periods beginning after December 15, 2018. The standard is effective for entities that serve as the resource provider for annual periods beginning after December 15, 2019. The Organization has not yet implemented this ASU. The Organization is currently evaluating the effects of this ASU.

## **NOTE 2 – CREDIT RISK**

Financial instruments that potentially subject the Organization to credit risk consist principally of cash at financial institutions and investments. At times, the balances in cash accounts may be in excess of the Federal Deposit Insurance Corporation insurance limits. At December 31, 2018 and 2017, the Organization's uninsured cash balances totaled approximately \$535,000 and \$435,000, respectively.

## **NOTE 3 – RECEIVABLES**

Receivables represent the amount receivable for donations made to the Organization through an internet charitable giving processing service. The donation amounts are remitted to the Organization monthly.

## **NOTE 4 – PROGRAM GRANTS PAYABLE**

From time to time, the Organization issues grants with multiple year commitments to the recipients. Grants promised and not yet paid to grant recipients for which fundraising has already happened are captured as liabilities for the Organization and are shown as program grants payable in the statement of financial position. Grant payments due in the current year are included in accounts payable. Grants with multiple year commitments at December 31, 2018 and 2017 are due to the following programs:

2018		2017	
Sacred Valley Health	\$ 22,044	Caravan to Class	\$ 21,130
Haiti Projects	19,861	Limitless Horizons	25,000
Women's Global Education Project	23,883	Kenya Self-Help Project	22,495
GAIA	24,728	Burma Humanitarian Mission	23,638
	<u>\$ 90,516</u>		<u>\$ 92,263</u>

## **NOTE 5 – DEFERRED REVENUE**

Deferred revenue consists of grant funding proceeds received for which the Organization has not yet incurred the corresponding expenses. The amounts outstanding at December 31, 2017 were recorded in the statement of activities when the activities were completed. There was no deferred revenue at December 31, 2018.

## **NOTE 6 – BOARD DESIGNATED FUNDS**

During 2016, the Finance Committee of the Board of Directors, in concert with the Board, created a designated grant reserve amount to complement an operating reserve within the unrestricted net assets of the Organization. At December 31, 2018 and 2017, the combined grant and operating reserves designated by the Board of Directors represented \$285,000 and \$262,500, respectively, of the total unrestricted net assets of the Organization.

## **NOTE 7 – LEASES**

The Organization leases office space and office furniture from a third party under a lease agreement that expires July 31, 2019. The lease agreement calls for monthly rent of \$2,650. Rent expense for the years ended December 31, 2018 and 2017 was \$30,900 and \$28,200, respectively.

## **NOTE 8 – METHODS USED FOR ALLOCATION OF EXPENSES AMONG PROGRAM AND SUPPORTING SERVICES**

The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of the Organization. Those expenses include compensation and benefits of several personnel. These expenses are allocated based on an estimate of the percentage of time spent on program and supporting services for each employee.

## **NOTE 9 – LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization has \$732,493 and \$737,098 of financial assets available within one year of December 31, 2018 and 2017, respectively. None of the financial assets are subject to donor or other contractual restrictions to make them unavailable for general expenditure within one year of the statement of financial position date. The Organization has a goal to maintain cash and cash equivalents on hand to meet ninety days of normal operating expenses, which on average are approximately \$300,000. As of December 31, 2018 and 2017, the Organization has achieved this goal.

The Organization's financial assets due within one year of the statement of financial position dates at December 31, 2018 and 2017 for general expenditure are as follows:

	<b><u>2018</u></b>	<b><u>2017</u></b>
Cash and cash equivalents	\$ 730,626	\$ 726,966
Investments	-	8,182
Accounts receivable	1,867	1,950
Total	\$ <b><u>732,493</u></b>	\$ <b><u>737,098</u></b>

## **NOTE 10 – COMMITMENTS**

The Organization entered into an agreement with a consulting firm to help develop a new strategic plan. The amount of the agreement is \$50,000 of which \$26,000 was paid in 2018 and \$24,000 is to be paid in 2019.

During the year ended December 31, 2018, the Organization entered into featured and sustained grant agreements payable in future years. These grants are conditional depending on the level of future fundraising. Because of this funding condition, these grants were not recognized as liabilities at December 31, 2018. The grant commitments totaled \$958,074, with expected payments being \$458,077, \$274,997, and \$225,000 in the years ended December 31, 2019, 2020 and 2021, respectively.

## **NOTE 11 – SUBSEQUENT EVENTS**

In January 2019, the Organization entered into three sustained grant agreements totaling \$225,000 with expected payments of \$75,000 during each of the years ended December 31, 2019, 2020, and 2021. Similar to the sustained grant agreements noted above, these grants are conditional depending upon the level of future fundraising.

Subsequent events have been evaluated through the date of the auditor's report, which is the date the financial statements were available to be issued.