

**DINING FOR WOMEN**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 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, 2019 and 2018, 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, 2019 and 2018, 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  
March 27, 2020

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

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 673,100	\$ 730,626
Investments	5,047	-
Accounts receivable	2,880	1,867
Prepaid expenses and deposits	84,223	40,919
Right-of-use asset	297,738	-
Total assets	<u>\$ 1,062,988</u>	<u>\$ 773,412</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 135,249	\$ 90,909
Deferred revenue	12,500	-
Program grants payable	72,497	90,516
Lease liability	306,019	-
Total liabilities	<u>526,265</u>	<u>181,425</u>
<b>NET ASSETS</b>		
Without donor restrictions		
Board designated reserves	312,500	285,000
Other net assets without donor restrictions	224,223	306,987
Total net assets	<u>536,723</u>	<u>591,987</u>
Total liabilities and net assets	<u>\$ 1,062,988</u>	<u>\$ 773,412</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,**

	<b>2019</b>	<b>2018</b>
<b>UNRESTRICTED NET ASSETS</b>		
Program and fundraising revenue		
Chapter revenues	\$ 1,487,136	\$ 1,327,560
Grant revenue	14,000	37,500
Events revenue	627	114,942
Fundraising campaign revenues	500,535	492,619
Donated goods	20,000	-
Total program and fundraising revenue	<u>2,022,298</u>	<u>1,972,621</u>
Program expenses		
Featured and sustained grants	856,802	672,208
Partnership grants	100,000	100,000
Compensation and benefits	361,600	357,300
Contract labor	15,045	12,998
Occupancy	25,472	-
Education, development, and oversight	162,787	244,014
Total program expenses	<u>1,521,706</u>	<u>1,386,520</u>
Management and general expenses		
Compensation and benefits	105,284	70,808
Contract services	68,949	58,643
Occupancy	54,521	30,900
Insurance	8,695	8,715
Meals and expenses	296	2,293
Board of directors expenses	13,107	6,385
Phone, internet and technology	53,047	38,858
Office supplies and postage	11,017	8,178
Licenses and permits	3,975	4,205
Dues and subscriptions	3,615	8,995
Bank and credit card fees	56,882	55,162
Total management and general expenses	<u>379,388</u>	<u>293,142</u>
Fundraising expenses		
Marketing consultancy and events	115,368	39,061
Compensation and benefits	57,000	60,600
Occupancy	4,100	-
Total fundraising expenses	<u>176,468</u>	<u>99,661</u>
Increase (decrease) in net assets without donor restrictions	(55,264)	193,298
Net assets, beginning of year	591,987	398,689
Net assets, end of year	<u><u>\$ 536,723</u></u>	<u><u>\$ 591,987</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>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (55,264)	\$ 193,298
Adjustments to reconcile change in net assets to net cash from operating activities:		
Amortization of right-of-use asset	17,725	-
(Increase) decrease in operating assets:		
Investments being converted to cash	(5,047)	8,182
Accounts receivable	(1,013)	83
Prepaid expenses and deposits	(43,304)	10,827
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	44,338	(121,183)
Deferred revenue	12,500	(85,800)
Program grants payable	(18,019)	(1,747)
Lease liability	(9,442)	-
Net cash flows from operating activities	<u>(57,526)</u>	<u>3,660</u>
Net increase (decrease) in cash and cash equivalents	(57,526)	3,660
CASH AND CASH EQUIVALENTS, beginning of year	730,626	726,966
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 673,100</u>	<u>\$ 730,626</u>
Non-cash operating activities:		
Donated office items	\$ 20,000	\$ -
Addition of right-of-use asset and lease liability	\$ 315,461	\$ -

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 FOR THE YEARS ENDED DECEMBER 31, 2019 AND 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 education and 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 ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, 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. 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, investments, 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 highly 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.

### **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.

### **Donated Goods**

The Organization has included \$20,000 in estimated value of used office furniture and equipment received during the year ended December 31, 2019. This value is included in the statement of activities in donated goods revenue, and within total occupancy expense. No donated goods were received in the year ended December 31, 2018.

### **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 Accounting Standards Updates (“ASUs”). A summary of the ASUs most relevant to the Organization are as follows:

In August 2015, 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.

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

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

Several clarifying standards related to this ASU have been issued since August 2015. The ASU is effective for nonpublic organizations beginning for annual reporting periods after December 15, 2018. The Organization has implemented this ASU for the year ended December 31, 2019, with no significant effects.

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, 2020, with an early adoption option. The Organization has implemented this ASU for the year ended December 31, 2019. As a result, the Organization recorded a right-of-use asset and lease liability to represent its rights and obligations under its current operating lease, which falls under the scope of this ASU. The asset is relieved by a single lease expense during the term of the lease, while the liability is relieved by lease payments. See Note 6 for additional details regarding the effects of this ASU in the current financial statements.

## **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, 2019 and 2018, the Organization's uninsured cash balances totaled approximately \$490,000 and \$535,000, respectively.

## **NOTE 3 – RECEIVABLES**

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

## **NOTE 4 – 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, 2019 represent funds received for performance obligations not yet satisfied. There were no amounts outstanding at December 31, 2018.

## **NOTE 5 – 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. Grant payments due in less than ninety days are included in accounts payable. Grant payments due in greater than ninety days at December 31, 2019 and 2018 are due to the following programs:

**NOTE 5 – PROGRAM GRANTS PAYABLE (CONTINUED)**

2019		2018	
Venture Strategies for Health and Development	\$ 25,000	Sacred Valley Health	\$ 22,044
Maji Safi Group	24,998	Haiti Projects	19,861
Young Heroes Foundation	22,500	Women's Global Education Project	23,883
	<u>\$ 72,497</u>	GAIA Vaccine Foundation	24,728
			<u>\$ 90,516</u>

**NOTE 6 – LEASES**

The Organization leased office space and office furniture from a third party under a lease agreement that expired July 31, 2019. Rent expense for the years ended December 31, 2019 and 2018 under this lease, included in occupancy expense, was \$36,273 and \$30,900, respectively.

The Organization entered a new operating lease for office space beginning August 1, 2019 and expiring on July 31, 2026. The Organization has recorded a right-of-use asset and a lease liability related to this lease of \$315,461. The right-of-use asset has been amortized to \$297,738 and the lease liability has been paid down to \$306,019 as of December 31, 2019. The monthly lease cost for this lease is \$3,545, which represents total rent payments over the term of the lease, discounted to present value at 2.75%. Taxes, insurance, and common area maintenance fees are expensed as incurred. Total future minimum rent payments are as follows:

2020	\$ 34,200
2021	53,786
2022	54,628
2023	55,461
2024	56,283
2025	57,094
2026	57,888
Total	<u>\$ 369,340</u>

Rent expense under the new operating lease for the year ended December 31, 2019 was \$17,725. The Organization has an option to extend the lease terms for one additional period of five years.

**NOTE 7 – BOARD DESIGNATED FUNDS**

From time to time, the Finance Committee of the Board of Directors, in concert with the Board, creates designated grant reserves within the unrestricted net assets of the Organization. At December 31, 2018, grant and operating reserves designated by the Board of Directors represented \$285,000 of the total unrestricted net assets of the Organization. The Board combined the two reserves into a single operating reserve during 2019. At December 31, 2019, the operating reserve designated by the Board of Directors represented \$312,500 of the total unrestricted net assets of the Organization.

## **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. During 2019, the Organization revised its management estimates, to also include rent expense within its allocation methodology, which follows the estimates used to determine the allocation of compensation and benefits of its personnel.

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

The Organization has \$681,027 and \$732,493 of financial assets available within one year of December 31, 2019 and 2018, 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, 2019 and 2018, 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, 2019 and 2018 for general expenditure are as follows:

	<b><u>2019</u></b>	<b><u>2018</u></b>
Cash and cash equivalents	\$ 673,100	\$ 730,626
Investments	5,047	-
Accounts receivable	2,880	1,867
Total	\$ <b><u>681,027</u></b>	\$ <b><u>732,493</u></b>

## **NOTE 10 – COMMITMENTS**

The Organization entered into an agreement with a consulting firm to assist in rebranding the Organization. The amount of the agreement is approximately \$81,000 of which \$50,000 was paid in 2019 and \$31,370 is to be paid in 2020. The Organization also signed an addendum to the original contract that increased the amount to be paid in 2020 by \$35,000. Of the total amount due to the consulting firm in 2020, the Organization prepaid \$34,370 leaving a balance of \$32,000 to be paid in 2020.

During the year ended December 31, 2019, 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, 2019. The grant commitments totaled \$1,086,000, with expected payments being \$761,000, \$300,000, and \$25,000 in the years ended December 31, 2020, 2021, and 2022, respectively.

## **NOTE 11 – SUBSEQUENT EVENTS**

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.