

THE WOMEN'S CIRCLE, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2016

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FOR THE YEAR ENDING DECEMBER 31, 2016

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SEE CERTIFIED PUBLIC ACCOUNTANTS' AUDIT REPORT



Gutta, Sharfi, & Co. CPAs, Inc.

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To the Board of Directors of
The Women's Circle, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of The Women's Circle, Inc. (a non-profit organization) which comprise the statements of financial position as of December 31, 2016 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 the 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. These 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 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 auditor considers internal control relevant to the entity's presentation 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 The Women's Circle Inc. as of December 31, 2016 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Prior Year

The financial statements for the year ended December 31, 2015 were audited by other Certified Public Accountants in a report dated June 28, 2016; and are included in this report for comparative purposes only. We have not audited or reviewed these statements and therefore express no opinion on them.

Gutta, Sharfi & Co. CPAs Inc.

Gutta, Sharfi & Co. CPA's Inc.
Sunrise, Florida
August 29, 2017

Statement of Financial Position

December 31, 2016 and 2015

ASSETS	<u>2016</u>	<u>2015</u>
Current Assets:		
Cash (Note 3)	482,265	390,437
Total Cash and Cash Equivalent	482,265	390,437
Other Current Assets		
Security Deposit	100	100
Total Other Current Assets	100	100
Total Current Assets	482,365	390,537
Fixed Assets		
Property and Equipment	461,399	461,390
Accumulated Depreciation	(120,789)	(86,701)
Total Fixed Assets	340,610	374,689
Land	134,001	134,001
Total Other Assets	134,001	134,001
Total Assets	<u>956,976</u>	<u>899,227</u>
LIABILITIES & EQUITY		
Accounts Payable	9,393	11,866
Total Accounts Payable	9,393	11,866
Other Assets		
Unearned or Deferred Revenue	12,500	19,500
Total Other Current Liabilities	12,500	19,500
Total Current Liabilities	21,893	31,366
Note Payable - (Note 5)	100,000	100,000
Total Long Term Liabilities	100,000	100,000
Total Liabilities	121,893	131,366
Net Assets		
Unrestricted	620,789	612,882
Temporarily Restricted	214,294	154,979
Total Net Assets	835,083	767,861
Total Liabilities and Net Assets	<u>956,976</u>	<u>899,227</u>

SEE CERTIFIED PUBLIC ACCOUNTANTS' AUDIT REPORT

See Accompanying Notes to Financial Statements

The Women's Circle, Inc.

Statement of Activities

For the Year Ended December 31, 2016

	Unrestricted	Temporary Restricted	Total
SUPPORT & REVENUE			
Grants and Contributions			
Foundation, non-profit and corporate grants	119,000	47,000	166,000
Individual and Business Contributions	205,360	12,327	217,688
Total grants and contributions	324,360	59,327	383,688
Interest Income	431	36	467
TOTAL UNRESTRICTED SUPPORT & RECLASSIFICATION	324,792	59,363	384,155
EXPENSES			
Program Services	183,704	-	183,704
Management and General	61,227	48	61,275
Fundraising	71,954	-	71,954
Net Expenses	316,884	48	316,932
Change in Net Assets	7,907	59,315	67,222
Net Assets, December 31, 2015	612,882	154,979	767,861
Net Assets, December 31, 2016	620,789	214,294	835,083

The Women's Circle, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2016

	Supporting Services				Functional Expenses
	Program	Mgmt & General	Fundraising	Total Support	
Salaries & Labor	93,869	36,104	14,441	50,545	144,414
Payroll taxes	7,958	3,061	1,224	4,285	12,242
Fridge Benefits	3,069	1,180	472	1,653	4,722
Total Payroll Related Expense	104,896	40,345	16,138	56,482	161,378
Legal and accounting	2,723	1,047	419	1,466	4,190
Consultants	-	-	22,575	22,575	22,575
Volunteer expenses	4,675	1,798	719	2,518	7,193
Repairs and maintenance	8,436	3,245	1,298	4,542	12,978
Depreciation	22,151	8,520	3,408	11,928	34,079
Contracted services	24,390	-	-	-	24,390
Licenses and permits	205	79	32	111	316
Printing and copying	175	67	27	94	269
Office supplies	3,037	1,168	467	1,636	4,673
Postage and delivery	658	253	101	354	1,012
Licenses and permits	163	63	25	88	250
Gala	-	-	24,869	24,869	24,869
Bank Fees	359	138	55	193	552
Advertising	380	146	58	205	585
Insurance	6,303	2,424	970	3,394	9,696
Utilities	4,789	1,842	737	2,579	7,367
Other	364	140	56	196	559
Totals	183,704	61,275	71,954	133,228	316,932

The Women's Circle, Inc.

Statement of Cash Flows

For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase (decrease) in net assets	67,222	52,751
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	34,079	24,704
Increase (decrease) in operating liabilities:		
Accounts payable and employee withholdings	(2,473)	2,587
Deferred support	(7,000)	(12,550)
	<hr/>	<hr/>
Net cash provided (used) by operating activities	91,828	67,492
<u>CASH FLOWS USED BY INVESTING ACTIVITIES:</u>		
Purchases of property and equipment	-	(201,936)
Land	-	41,134
	<hr/>	<hr/>
Net cash provided (used) by investment activities	-	(160,802)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	91,828	(93,310)
Cash and cash equivalents, beginning of year	390,437	483,747
	<hr/>	<hr/>
Cash and cash equivalents, end of year	482,265	390,437
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SEE CERTIFIED PUBLIC ACCOUNTANTS' AUDIT REPORT

See Accompanying Notes to Financial Statements

THE WOMEN'S CIRCLE, INC.
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activity

The Women's Circle Inc was incorporated as a not for profit Florida Corporation in June 2000. Its purpose is to educate and to help women in the local community with job development, job placement and health education. The Women's Circle Inc seeks private and corporate support as well as governmental grants to help cover the costs of providing these services.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with the AICPA Audit and Accounting Guide for Not for Profit Organizations. Financial statement preparation follows the recommendations of the Financial Accounting Standards Board in its ASC 958 Financial Statements of Not-for-Profit Organizations. Under ASC 958, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. The Women's Circle Inc had no permanently restricted net assets as of December 31, 2016 and 2015.

Contributions and Pledges.

Contributions and pledges are recorded as unrestricted (both undesignated and designated for specific purposes), temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions when received or unconditionally promised. Restricted net assets are reclassified to unrestricted net assets when donor restrictions expire. This occurs when a donor stipulated time restriction ends or a donor stipulated purpose restriction is accomplished. Such reclassifications are reported as net assets released from donor restrictions. As of December 31, 2016, and 2015, no pledges were recorded.

Cash and Cash Equivalents

For purposes of the statements of financial position and cash flows, the Organization considers all unrestricted highly liquid investments, with an initial maturity of three months or less, to be considered cash.

SEE CERTIFIED PUBLIC ACCOUNTANTS' AUDIT REPORT

THE WOMEN'S CIRCLE, INC.
NOTES TO FINANCIAL STATEMENTS

Property and Equipment

Property and Equipment are stated at cost, or if donated, at the fair market value on the date donated. Additions and improvements that add materially to productive capacity or extend the life of an asset are capitalized. Depreciation is computed using MACRS, which is an accelerated form of depreciation.

Under some circumstances, tax laws also allow the cost of some fixed assets to be charged entirely to expense as incurred, so that the effective depreciation period is one tax year.

Repairs and maintenance are charged to operations when incurred. Betterments and purchases are capitalized. The cost and accumulated depreciation of assets that are retired or disposed of are removed from the appropriate asset and accumulated depreciation account, and any resulting gain or loss is included in income.

Deferred Revenue

Deferred Revenue represents the amount of ticket sales and other support collected in the current period, but for which the related receipts are not recognized as income until the subsequent period when the performance occurs or the cost is incurred. As of December 31, 2016 and 2015 Women's Circle Inc reports \$12,500, and \$19,500 respectively.

Functional Allocation of Expenses

The costs of providing the various programs and services have been summarized on a functional basis in the statement of support and revenues, expenses and changes in fund balance (deficit). Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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

SEE CERTIFIED PUBLIC ACCOUNTANTS' AUDIT REPORT

THE WOMEN'S CIRCLE, INC.
NOTES TO FINANCIAL STATEMENTS

Donated Materials, Supplies and Services

Donated materials and supplies are recorded as contributions at their estimated fair values at the date of receipt. No materials and supplies were donated during the year ended December 31st 2016. Donated services have been reflected in the financial statements where basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers including the Board of Directors donate significant amounts of their time in the Organization's programs and supporting services that have not been recorded.

Subsequent Events

Management has evaluated subsequent events through August 29, 2017, the date which the financial statements were available to be issued.

NOTE 3: TEMPORARY RESTRICTED NET ASSETS

Temporarily restricted net assets at the end of the year represent grants that have been received and designated as temporarily restricted by the grantor. As these funds are expended, the temporary restrictions expire and the temporarily restricted net assets are reclassified to unrestricted net assets on the statement of activities.

Temporarily restricted net assets as of December 31, 2016 and 2015 were as follows:

	<u>2016</u>	<u>2015</u>
Expansion	214,294	154,979

NOTE 4: CONCENTRATION OF CREDIT RISK – CASH

The Women's Circle Inc has several cash accounts at local banks. These accounts are insured, up to \$250,000, by the Federal Deposit Insurance Corporation. The Organization has not experienced any losses and believes it is not exposed to any significant credit risk on cash

SEE CERTIFIED PUBLIC ACCOUNTANTS' AUDIT REPORT

THE WOMEN'S CIRCLE, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 5: PROMISSORY NOTE

The organization executed a promissory note on September 30, 2009 to Boynton Beach Community Redevelopment Agency for \$100,000.00 to help fund the purchase of the real property located at 912 SE 4th St, Boynton Beach, FL. The note carried no interest and is repayable only if the real property is resold. The real property was purchased for \$169,740.66.

NOTE 6: SECURITY DEPOSITS

As of December 31st 2016, the Organization had \$100.00 held for security deposits

NOTE 7: COMMITMENTS

The office facilities are provided free of rent.

NOTE 8: INCOME TAXES

The Organization is permitted under section 501 (c) (3) the Internal Revenue Code to be tax exempt. Revenue received from carrying out its exempt purpose less expense incurred in carrying out the corporation's exempt purpose is not taxable. The corporation's return of Organization Exempt from Tax (form 990) and related forms and schedules for the year ended December 31, 2016 has been filed and is available for inspection.

SEE CERTIFIED PUBLIC ACCOUNTANTS' AUDIT REPORT

GUTTA, SHARFI & CO. CPA'S Inc.
490 SAWGRASS CORP. PARKWAY
SUNRISE, FL 33125

**Independent Auditors' Report on Compliance with Laws and Regulations Based on an Audit of
the Financial Statements Performed In Accordance with Government Auditing Standards and the
Rules of the State of Florida**
Auditor General Chapter 10.600

To the Board of Directors of Finance Committee of
The Women's Circle, Inc.

We have audited the accompanying financial statements of The Women's Circle, Inc. (the company) (a non-profit corporation) as of December 31, 2016 and have issued our report thereon dated August 29, 2017.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the rules of the State of Florida Auditor General Chapter 10.600. Those standards and Chapter 10.600 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to The Women's Circle, Inc., is the responsibility of the company's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatements, we performed tests of The Women's Circle, Inc.'s compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards and the rules of the State of Florida Auditor General Chapter 10.600.

This report is intended for the information of the Board of Directors, Management, and Florida Department of State. However, this report is a matter of public record, and its distribution is not limited.

Gutta Sharfi & Co. CPA's Inc

Gutta, Sharfi & Co. CPA's Inc.
Sunrise, Florida
August 29, 2016

GUTTA, SHARFI & CO. CPA'S Inc.
490 SAWGRASS CORP. PARKWAY
SUNRISE, FL 33125

**Independent Auditors' Report on Internal Control Structure based on an Audit performed
Accordance with Government Auditing Standards**

To the Board of Directors of Finance Committee of
The Women's Circle, Inc.

We have audited the accompanying financial statements of The Women's Circle, Inc. (the company) (a non-profit corporation) as of December 31, 2016 and have issued our report thereon dated August 29, 2016.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and not to provide assurance on the internal control structure.

In planning and performing our audit of the financial statements of The Women's Circle, Inc., for the year ended December 31st 2016, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the company is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure is to provide management with reasonable, but no absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of The Women's Circle Inc., for the year ended December 31st 2016, we obtained an understanding of the internal control structure. With respect to internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation. We assessed control risk on order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

A material weakness is a reportable condition in which the design or operation of one of more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above.

We noted no matters involving the internal control over financial reporting and its operation that we consider to material weaknesses.

This report is intended for the information of the Board of Directors, Management, and the Florida Department of State. However, this report is a matter of public record, and its distribution is not limited.

Gutta Sharfi & Co. CPAs Inc.

Gutta, Sharfi & Co. CPA's Inc.
Sunrise, Florida
August 29, 2016