

# STRACK | STANFIELD, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
WOMEN IN FILM & VIDEO

We have audited the accompanying statement of financial position of the WOMEN IN FILM & VIDEO as of June 30, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the WOMEN IN FILM & VIDEO's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the WOMEN IN FILM & VIDEO as of June 30, 2007, and the changes in net assets and its cash flows for the year then ended, in accordance with U.S. generally accepted accounting principles.

We conducted our audit in accordance with U.S. generally accepted auditing standards for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Rockville, Maryland  
April 2, 2008

WOMEN IN FILM & VIDEO  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2007

ASSETS

Cash and cash equivalents	\$ 63,270
Accounts receivable	13,619
Prepaid expenses	3,105
Property and equipment, net (NOTE 3)	3,783
Security deposit	<u>3,674</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 87,451</u></b>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 6,014
Deferred dues	<u>49,219</u>
<b>Total Liabilities</b>	<b><u>55,233</u></b>

NET ASSETS

Unrestricted	24,218
Temporarily restricted (NOTE 4)	<u>8,000</u>
<b>Total Net Assets</b>	<b><u>32,218</u></b>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 87,451</u></b>
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The accompanying notes are an integral part  
of these financial statements.

WOMEN IN FILM & VIDEO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2007

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Contributions and grants	\$ 85,339	\$ 12,000	\$ 97,339
Membership dues	96,711	-	96,711
Special events, net of \$63,796 in expenses	(1,136)	-	(1,136)
Program income	28,242	-	28,242
Other income	<u>948</u>	<u>-</u>	<u>948</u>
Total Revenues	210,104	12,000	222,104
Net Assets Released From Restrictions	<u>5,500</u>	<u>(5,500)</u>	<u>-</u>
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<u>215,604</u>	<u>6,500</u>	<u>222,104</u>
<b>EXPENSES</b>			
Program	128,390	-	128,390
General and administrative	81,611	-	81,611
Fundraising	<u>2,775</u>	<u>-</u>	<u>2,775</u>
<b>TOTAL EXPENSES</b>	<u>212,776</u>	<u>-</u>	<u>212,776</u>
<b>CHANGE IN NET ASSETS</b>	2,828	6,500	9,328
<b>NET ASSETS</b>			
BEGINNING OF YEAR	<u>21,390</u>	<u>1,500</u>	<u>22,890</u>
<b>NET ASSETS</b>			
END OF YEAR	<u>\$ 24,218</u>	<u>\$ 8,000</u>	<u>\$ 32,218</u>

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

WOMEN IN FILM & VIDEO  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2007

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from contributors and grantors	\$ 289,170
Cash paid to employees and suppliers	(261,340)
Cash paid for interest	<u>(292)</u>
Net Cash Provided By Operating Activities	<u>27,538</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of equipment	<u>(3,795)</u>
Net Cash (Used For) Investing Activities	<u>(3,795)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Payments on line of credit	<u>(3,223)</u>
Net Cash (Used For) Financing Activities	<u>(3,223)</u>
NET INCREASE IN CASH	20,520
CASH	
Beginning of year	<u>42,750</u>
End of year	<u>\$ 63,270</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Change in net assets	\$ 9,328
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	832
Bad debts expense	1,675
Decrease in accounts receivable	27,755
(Increase) in prepaid expenses	(1,673)
(Decrease) in accounts payable	(11,895)
Increase in deferred dues	<u>1,516</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 27,538</u>

WOMEN IN FILM & VIDEO  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2007

1. ORGANIZATION AND PURPOSE

WOMEN IN FILM & VIDEO (WIFV), a non-profit organization, incorporated in the District of Columbia in September 1979, for the purpose of advancing the professional development and achievement for women working in all areas of film, television, video, multimedia, and related disciplines. WIFV serves more than 1,200 members in the DC region and reaches another several hundred people through its educational programming, job fair, annual networking events and programs for youth.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

WIFV's financial statements are prepared on the accrual basis of accounting. Therefore, revenue and related assets are recognized when earned and expenses and related liabilities are recognized as the obligations are incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, WIFV is required to 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. SFAS No. 117 also requires WIFV to report expenses as a decrease in unrestricted net assets whether they are incurred to satisfy a donor's restrictions or not.

Cash and Cash Equivalents

The term cash as used in the accompanying financial statements include currency on hand, demand deposits, and highly liquid investments purchased from financial institutions with a maturity of three months or less. As of June 30, 2007 WIFV had no cash on deposit that exceeded federally insured limits.

Accounts Receivable

All accounts receivable are fully collectible within one year and therefore there is no allowance for doubtful accounts.

Property and Equipment

Acquisitions of property and equipment are recorded at cost except donated assets, which are recorded at market value at the date of the gift. Depreciation is recorded using the straight-line method based on the estimated useful lives of five years.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets, depending on the nature of the donor's restriction.

WOMEN IN FILM & VIDEO  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted and Unrestricted Revenue and Support (continued)

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. 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 revenue, expenses, and changes in net assets as net assets released from restrictions.

Revenue Recognition

Membership dues are recognized as revenue in the year in which the dues are earned. Any dues collected prior to the period they are earned are deferred until the following year.

In-kind Contributions

WIFV receives in-kind contributions of goods or services from individuals interested in the organization's programs. The in-kind contributions are recorded as revenue at a value estimated by the donor. During the year ended June 30, 2007 WIFV received \$26,000 of in-kind contributions.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

WIFV is exempt from federal and district income taxes (except taxes on unrelated business income) under the provision of Section 501(c)(3) of the Internal Revenue Code. WIFV has been classified by the Internal Revenue Service as *other than a private foundation*. No provision for income taxes is required at June 30, 2007.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

WOMEN IN FILM & VIDEO  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2007

3. PROPERTY AND EQUIPMENT

Furniture	\$ 3,359
Equipment	5,455
Software	<u>1,995</u>
Total Property and Equipment	10,809
Accumulated depreciation	<u>(7026)</u>
Property and Equipment, net	<u>\$ 3,783</u>

Depreciation expense for the year ended June 30, 2007 was \$832.

4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are comprised of contributions donors have designated for specific purposes. Contributions are classified as temporarily restricted when received and then reclassified to unrestricted as expenses are incurred for the specified purpose or as the time restriction expires.

Temporarily restricted net assets as of June 30, 2007 are available as follows:

Scholarships	\$ 3,000
Student Screening	<u>5,000</u>
	<u>\$ 8,000</u>

5. LEASE COMMITMENT

On September 19, 2007 WIFV entered into a sub-lease for office space. The initial term expires July 31, 2010 with annual payments of \$11,400, increasing at 3% per year. Future minimum lease payments under operating leases that have remaining terms in excess of one year are:

<u>For the Years Ending June 30,</u>	
2008	\$ 8,550
2009	11,719
2010	12,067
2011	<u>1,008</u>
	<u>\$ 33,344</u>

Rental expense was \$14,354 for the year ended June 30, 2007.

WOMEN IN FILM & VIDEO  
 SCHEDULE OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED JUNE 30, 2007

	<u>Program</u>	<u>General and Administrative</u>		<u>Fundraising</u>	<u>Total</u>
Salaries and related expenses	\$ 30,081	\$ 39,600	\$ 2,069	\$	71,750
Office expenses	46,025	6,715	174		52,914
Travel and meetings	18,932	101	-		19,033
Professional fees	21,455	6,927	-		28,382
Occupancy expenses	5,596	7,017	378		12,991
Computer services	982	10,372	67		11,421
Bad debts and bank charges	338	6,637	-		6,975
Insurance	473	2,550	32		3,055
Payments to affiliates	2,013	-	-		2,013
Miscellaneous	1,095	860	55		2,010
Awards and grants	1,400	-	-		1,400
Depreciation	-	832	-		832
	<u>\$ 128,390</u>	<u>\$ 81,611</u>	<u>\$ 2,775</u>		<u>\$ 212,776</u>