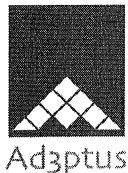


**SAKHI FOR SOUTH ASIAN WOMEN, INC.  
FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT  
JUNE 30, 2014**



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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Sakhi for South Asian Women, Inc.

We have audited the accompanying financial statements of Sakhi for South Asian Women, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2014 and 2013 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 Sakhi for South Asian Women, Inc. as of June 30, 2014 and 2013 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.

*ADEPTUS PARTNERS LLC*

New York, NY  
October 22, 2014

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 216,512	\$ 17,148
Promises to give receivable	100,376	70,875
Government grants receivable	6,737	9,295
Prepaid expenses and other assets	8,744	3,997
Security deposit	59,759	59,759
Property and equipment, net	<u>14,096</u>	<u>13,340</u>
<b>Total Assets</b>	<u><u>\$ 406,224</u></u>	<u><u>\$ 174,414</u></u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 27,679	\$ 17,549
<b>Total Liabilities</b>	<u>27,679</u>	<u>17,549</u>
<b>Net Assets</b>		
Unrestricted net assets	307,391	124,520
Temporarily restricted net assets	<u>71,154</u>	<u>32,345</u>
<b>Total Net Assets</b>	<u>378,545</u>	<u>156,865</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 406,224</u></u>	<u><u>\$ 174,414</u></u>

The accompanying notes are an integral part of these financial statements

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>2014 Total</b>	<b>2013 Total</b>
<b>Revenues and support</b>				
Foundation grants	\$ 369,454	\$ 49,778	\$ 419,232	\$ 279,928
Government grants	57,495		57,495	44,864
Corporate contributions	12,835		12,835	18,883
Individual contributions	61,510	21,376	82,886	53,188
Special event income, net of expenses \$80,651	254,467		254,467	99,843
In-Kind contributions	33,860		33,860	
Net assets released from restrictions	32,345	(32,345)	-	-
<b>Total revenues and support</b>	<b>821,966</b>	<b>38,809</b>	<b>860,775</b>	<b>496,706</b>
<b>Expenses:</b>				
<b>Program services:</b>				
Program services	490,322		490,322	412,440
<b>Supporting services:</b>				
Management and general	20,963		20,963	16,067
Fundraising	127,810		127,810	137,750
<b>Total expenses</b>	<b>639,095</b>	<b>-</b>	<b>639,095</b>	<b>566,257</b>
<b>Change in net assets</b>	<b>182,871</b>	<b>38,809</b>	<b>221,680</b>	<b>(69,551)</b>
<b>Net assets - beginning of year</b>	<b>124,520</b>	<b>32,345</b>	<b>156,865</b>	<b>226,416</b>
<b>Net assets - end of year</b>	<b>\$ 307,391</b>	<b>\$ 71,154</b>	<b>\$ 378,545</b>	<b>\$ 156,865</b>

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 221,680	\$ (69,551)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,175	2,809
Changes in:		
Promises to give receivable	(29,501)	1,992
Government grants receivable	2,558	28,655
Prepaid expenses and other assets	(4,747)	6,452
Security deposits	-	(29)
Accounts payable and accrued expenses	<u>10,130</u>	<u>(3,804)</u>
<b>Net cash used by operating activities</b>	<b>202,295</b>	<b>(33,476)</b>
<b>Cash flows used by investing activities:</b>		
Capital expenditures	<u>(2,931)</u>	<u>(6,359)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>199,364</b>	<b>(39,835)</b>
<b>Cash and cash equivalents, beginning of year</b>	<u>17,148</u>	<u>56,983</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 216,512</u></u>	<u><u>\$ 17,148</u></u>
<b>Supplemental disclosure of cash flow information:</b>		
Donated in-kind services	<u><u>\$ 33,860</u></u>	

The accompanying notes are an integral part of these financial statements

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**1. Organization**

Sakhi for South Asian Women exists to end violence against women. Founded in 1989 Sakhi, meaning "women friend," works to prevent and respond to gender-based violence in the South Asian community. The Organization provides survivors of violence with a unique, holistic, culturally specific program that includes five major parts: direct services, economic empowerment, youth empowerment, policy advocacy and community outreach. Sakhi works one-on-one with survivors to address individual needs and long term safety, while advocating for changes in policy and cultural norms that combat violence at a systemic and societal level.

Domestic violence impacts one out of four women in the US – and this statistic is even greater for South Asian women. On average, **two out of every five** South Asian women are victim to violence. Sakhi provides one-on-one case support to nearly 600 women a year, and responds to over 2,000 calls a year on their helpline – more than 90% of these women are recent immigrants, more than 85% reside below the federal poverty line; 68% are head of their households, and 73% are mothers.

**2. Summary of Significant Accounting Policies**

- ***Basis of Accounting and Use of Estimates***

The accompanying financial statements are prepared on the accrual basis of accounting.

The preparation of these financial statements 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 reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from these estimates.

- ***Basis of Presentation***

The Organization follows established standards for external financial reporting by not-for-profit organizations which require that resources be classified for accounting and reporting purposes into three net asset categories according to donor-imposed restrictions. Accounting standards require that unconditional promises to give be recorded as receivables and revenues and require the organization to distinguish between contributions received for each net asset category in accordance with donor imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The three net asset categories are unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets have no donor-imposed restrictions.

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2014**

Temporarily restricted net assets have donor-imposed restrictions that are satisfied either by the passage of time or expenditures that meet the donor-specified purpose.

Permanently restricted net assets have donor-imposed restrictions that do not expire. As of June 30, 2014 the Organization does not have any permanently restricted net assets.

- ***Expiration of Donor-Imposed Restrictions***

The expiration of a donor-imposed restriction on a contribution is recognized in the period in which the restriction expires and at that time the related resources are reclassified to unrestricted net assets. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. In addition, the Organization follows the policy of reporting donor-imposed restricted contributions whose restrictions are met within the same fiscal year as unrestricted support.

- ***Income Taxes***

The Organization qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code and is exempt from Federal and State income taxes.

- ***Cash and Cash Equivalents***

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

- ***Concentration of Credit Risk***

The Organization maintains its cash balances with one highly respected financial institution. However, these deposits at times may exceed the Federal Deposit Insurance Corporation (FDIC) insurance limit of \$250,000, however, no losses have ever been experienced by the Organization on its cash equivalents.

- ***Promises to Give***

The estimated net realizable values of unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities or expenses, depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2014**

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other 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 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.

- ***Property and Equipment***

Leasehold improvements and equipment are stated at cost, or at the fair value at date of contribution if acquired by gift. Depreciation expense has been computed using the straight-line method

- ***Subsequent Events***

For the fiscal year ended June 30, 2014, the Organization has evaluated subsequent events for potential recognition or disclosure through October 22, 2014, the date the financial statements were available for issuance.

- ***Expense Allocation***

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

**3. Premises and Equipment**

An analysis of property and equipment at June 30th is as follows:

	<u>2014</u>	<u>2013</u>
Leasehold improvements	\$ 5,581	\$ 4,275
Equipment	<u>18,397</u>	<u>16,772</u>
	23,978	21,047
Less: accumulated depreciation	<u>(9,882)</u>	<u>(7,707)</u>
	<u><u>\$ 14,096</u></u>	<u><u>\$ 13,340</u></u>



**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2014**

**4. Temporarily Restricted Net Assets**

Temporarily restricted net assets as of June 30th consist of the following:

	<u>2014</u>	<u>2013</u>
Swarna Fund	\$ 21,376	\$ 1,095
Domestic Violence	-	31,250
Economic Empowerment	18,578	-
Women's Health Initiative	31,200	-
	<u>\$ 71,154</u>	<u>\$ 32,345</u>

**5. Net Assets Released from Restrictions**

During the years ended June 30th temporarily restricted assets were released from restrictions in fulfillment of the following:

	<u>2014</u>	<u>2013</u>
Swarna Fund	\$ 1,095	\$ 8,071
Domestic Violence	31,250	7,500
	<u>\$ 32,345</u>	<u>\$ 15,571</u>

**6. Contingencies**

Government supported projects are subject to audit by the applicable granting agency. Management does not feel that questioned costs that arise out of any potential audit would be material, and no reserve has been established.

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2014**

**7. Lease Commitment**

In May, 2012 the Organization entered into a non-cancelable lease agreement that expires in May, 2023. The Organization moved into the space in December, 2012 after the landlord made agreed upon improvements.

Future minimum payments for the years ended June 30 are as follows:

2015	74,012
2016	76,232
2017	78,519
2018	87,314
2019	89,933
Thereafter	<u>368,328</u>
	<u>\$774,338</u>

**8. In-Kind Contributions**

For the year ended June 30, 2014 donated services are as follows:

Counseling/Instruction	\$	23,060
Legal Fees		<u>10,800</u>
	\$	<u>33,860</u>



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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Our June 30, 2014 and 2013 audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*ADEPTUS PARTNERS, LLC*

New York, NY  
October 22, 2014

**SAKHI FOR SOUTH ASIAN WOMEN, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED JUNE 30, 2014 AND**

	Program Services					Supporting Services					
	Community Outreach	Domestic Violence	Economic Empowerment	Policy	Youth	Swarna	Total Program Services	Management and General	Fund-Raising	2014 Total	2013 Total
Personnel expenses:											
Salaries	\$ 67,155	\$ 72,387	\$ 90,344	\$ 16,858	\$ 23,008	\$ -	\$ 269,752	\$ 6,488	\$ 77,233	\$ 353,473	\$ 365,461
Benefits and payroll taxes	10,683	13,123	15,708	1,645	3,887	-	45,046	963	10,963	56,972	69,155
Total salaries and related expenses	77,838	85,510	106,052	18,503	26,895	-	314,798	7,451	88,196	410,445	434,616
Grants	250	(1,776)	-	-	-	7,990	6,464	-	-	6,464	15,787
Professional fees	7,354	50,089	20,029	1,195	3,596	-	82,263	169	17,840	100,272	41,843
Insurance	637	927	820	103	203	-	2,690	78	619	3,387	3,396
Communications	1,135	1,429	1,749	179	390	-	4,882	104	1,256	6,242	7,009
Travel	182	1,888	1,742	27	67	-	3,905	-	213	4,118	2,137
Occupancy	15,163	18,955	23,237	2,425	5,187	-	64,966	1,372	16,171	82,509	41,375
Office expenses	2,244	2,840	3,293	300	1,150	527	10,354	9,614	3,515	23,483	17,285
Depreciation	-	-	-	-	-	-	-	2,175	-	2,175	2,809
Total expenses	\$ 104,803	\$ 159,862	\$ 156,922	\$ 22,732	\$ 37,488	\$ 8,517	\$ 490,322	\$ 20,963	\$ 127,810	\$ 639,095	\$ 566,257

See independent auditors' report on supplementary information