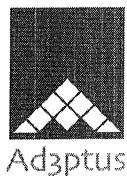


**SAKHI FOR SOUTH ASIAN WOMEN, INC.
FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
JUNE 30, 2016**



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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, 2016 and 2015 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, 2016 and 2015 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 14, 2016

SAKHI FOR SOUTH ASIAN WOMEN, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Assets		
Cash and cash equivalents	\$ 273,048	\$ 183,036
Promises to give receivable	62,474	89,255
Government grants receivable	61,970	51,231
Prepaid expenses and other assets	15,143	2,450
Security deposit	53,120	59,759
Property and equipment, net	<u>4,344</u>	<u>10,295</u>
Total Assets	<u><u>\$ 470,099</u></u>	<u><u>\$ 396,026</u></u>
 Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 21,791	\$ 21,951
Total Liabilities	<u>21,791</u>	<u>21,951</u>
 Net Assets		
Unrestricted net assets	348,677	279,654
Temporarily restricted net assets	<u>99,631</u>	<u>94,421</u>
Total Net Assets	<u>448,308</u>	<u>374,075</u>
Total Liabilities and Net Assets	<u><u>\$ 470,099</u></u>	<u><u>\$ 396,026</u></u>

The accompanying notes are an integral part of these financial statements

SAKHI FOR SOUTH ASIAN WOMEN, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	Unrestricted	Temporarily Restricted	2016 Total	2015 Total
Revenues and support				
Foundation grants	\$ 69,452	\$ 83,370	\$ 152,822	\$ 210,931
Government grants	246,108	-	246,108	120,438
Corporate contributions	600	-	600	7,378
Individual contributions	25,681	1,000	26,681	94,397
Special event income, net of expenses \$180,061	259,449	-	259,449	198,082
In-Kind contributions	14,375	-	14,375	21,150
Net assets released from restrictions	79,160	(79,160)	-	-
Total revenues and support	694,825	5,210	700,035	652,376
Expenses:				
Program services:				
Program services	475,240	-	475,240	520,064
Supporting services:				
Management and general	35,651	-	35,651	27,947
Fundraising	114,911	-	114,911	108,835
Total expenses	625,802	-	625,802	656,846
Change in net assets	69,023	5,210	74,233	(4,470)
Net assets - beginning of year	279,654	94,421	374,075	378,545
Net assets - end of year	\$ 348,677	\$ 99,631	\$ 448,308	\$ 374,075

The accompanying notes are an integral part of these financial statements

SAKHI FOR SOUTH ASIAN WOMEN, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ 74,233	\$ (4,470)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	5,951	3,801
Changes in:		
Promises to give receivable	26,781	11,121
Government grants receivable	(10,739)	(44,494)
Prepaid expenses and other assets	(12,693)	6,294
Security deposits	6,639	
Accounts payable and accrued expenses	<u>(160)</u>	<u>(5,728)</u>
Net cash provided (used) by operating activities	90,012	(33,476)
Net increase (decrease) in cash and cash equivalents	90,012	(33,476)
Cash and cash equivalents, beginning of year	<u>183,036</u>	<u>216,512</u>
Cash and cash equivalents, end of year	<u>\$ 273,048</u>	<u>\$ 183,036</u>
Supplemental disclosure of cash flow information:		
Donated in-kind services	<u>\$ 14,375</u>	<u>\$ 21,150</u>

The accompanying notes are an integral part of these financial statements

SAKHI FOR SOUTH ASIAN WOMEN, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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 450 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 Presentation***

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

- ***Net Asset Classification***

The Organization reports information regarding its financial position and activities according to three classes of net assets: permanently restricted, temporarily restricted and unrestricted.

Permanently restricted net assets contain donor-imposed restrictions that stipulate the resources be maintained permanently, but permit the Organization to use all or part of the income earned on these assets for either specified or unspecified purposes. As of June 30, 2016 and 2015, the Organization does not have any permanently restricted net assets.

Temporarily restricted net assets contain donor-imposed restrictions that permit the Organization to use or expend the assets as specified. The restrictions are satisfied either by the passage of time or expenditures that meet the donor-specified purpose.

Unrestricted net assets are not restricted by donors, or the donor-imposed restrictions have expired.

SAKHI FOR SOUTH ASIAN WOMEN, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions and such restrictions are not met within the same calendar year. Expenses are reported as decreases in unrestricted net assets. Gains and losses on unrestricted investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets are reported as a reclassification between the applicable classes of 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.

- ***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, although it would be subject to tax on any income that is not substantially related to the Organization's exempt purpose.

The Organization's management has analyzed its tax positions, and has concluded that as of June 30, 2016, there are no uncertain tax positions taken or expected to be taken that would require recognition or disclosure in the financial statements.

- ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management 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 reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from these estimates.

- ***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.

SAKHI FOR SOUTH ASIAN WOMEN, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

- **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.

- **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, 2016, the Organization has evaluated subsequent events for potential recognition or disclosure through October 14, 2016, 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>2016</u>	<u>2015</u>
Leasehold improvements	\$ 5,581	\$ 5,581
Equipment	<u>18,397</u>	<u>18,397</u>
	23,978	23,978
Less: accumulated depreciation	<u>(19,634)</u>	<u>(13,683)</u>
	<u>\$ 4,344</u>	<u>\$ 10,295</u>

SAKHI FOR SOUTH ASIAN WOMEN, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

4. Temporarily Restricted Net Assets

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

	2016	2015
Swarna Fund	\$ 12,140	\$ 15,608
Youth	43,137	-
Domestic Violence	-	23,508
Economic Empowerment	30,233	25,000
Women's Health Initiative	14,121	30,305
	<u>\$ 99,631</u>	<u>\$ 94,421</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:

	2016	2015
Swarna Fund	\$ 4,468	\$ 5,768
Domestic Violence	23,508	-
Economic Empowerment	25,000	18,578
Women's Health Initiative	26,184	15,600
	<u>\$ 79,160</u>	<u>\$ 39,946</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, 2016

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.

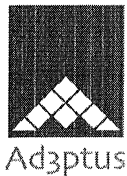
Future minimum payments for the years ended June 30 are as follows:

2017	79,679
2018	87,314
2019	89,933
2020	92,631
2021	95,410
Thereafter	<u>140,447</u>
	<u>\$585,414</u>

8. In-Kind Contributions

For the year ended June 30, 2016 donated services are as follows:

Counseling/Instruction	\$ 8,775
Legal Fees	<u>5,600</u>
	<u>\$ 14,375</u>



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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Our June 30, 2016 and 2015 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 14, 2016

SAKHI FOR SOUTH ASIAN WOMEN, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	Program Services						Supporting Services						
	Community Outreach	Domestic Violence	Economic Empowerment	Policy	Youth	Swarna	Women Health Initiative	Sexual Assault	Total Program Services	Management and General	Fund-Raising		
Personnel expenses:													
Salaries	\$ 25,860	\$ 122,985	\$ 34,845	\$ 8,250	\$ 5,500	\$ -	\$ 16,424	\$ 57,555	\$ 271,419	\$ 19,441	\$ 73,399	\$ 364,259	\$ 378,875
Benefits and payroll taxes	3,086	18,590	4,796	810	26	-	1,848	6,451	35,607	1,511	7,715	44,833	58,870
Total salaries and related expenses	28,946	141,575	39,641	9,060	5,526	-	18,272	64,006	307,026	20,952	81,114	409,092	437,745
Grants	-	1,050	-	-	-	4,468	-	-	5,518	-	-	5,518	8,973
Professional fees	2,228	26,463	3,741	426	1,423	-	1,760	20,000	56,041	8,633	10,742	75,416	63,868
Insurance	261	1,405	785	77	-	-	439	-	2,967	88	952	4,007	3,414
Communications	524	2,959	962	109	257	-	454	-	5,265	431	1,334	7,030	10,448
Travel	-	4,763	1,434	5	4	-	24	1,715	7,945	148	129	8,222	17,618
Occupancy	6,112	36,545	11,395	998	1,703	-	4,460	13,400	74,613	3,311	12,907	90,831	85,125
Office expenses	847	6,130	1,354	152	773	-	546	1,285	11,087	1,779	6,868	19,734	25,854
Depreciation	396	2,431	831	79	811	-	230	-	4,778	309	865	5,952	3,801
Total expenses	\$ 39,314	\$ 223,321	\$ 60,143	\$ 10,906	\$ 10,497	\$ 4,468	\$ 26,185	\$ 100,406	\$ 475,240	\$ 35,651	\$ 114,911	\$ 625,802	\$ 656,846