

**THE WOMEN'S LAW CENTER
OF MARYLAND, INC.**

AUDITED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

For the years ended June 30, 2018 and 2017

THE WOMEN'S LAW CENTER OF MARYLAND, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Women's Law Center of Maryland, Inc.
Towson, Maryland

We have audited the accompanying financial statements of The Women's Law Center of Maryland, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, 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 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 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 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 The Women's Law Center of Maryland, Inc. as of June 30, 2018 and 2017, 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.

WHY LLP

Columbia, Maryland
January 18, 2018

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2018 and 2017

| | <u>2018</u> | <u>2017</u> |
|---------------------------------------|----------------------------|----------------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 393,707 | \$ 477,277 |
| Grants receivable | 365,197 | 317,687 |
| Prepaid expenses | <u>16,509</u> | <u>8,084</u> |
| Total current assets | 775,413 | 803,048 |
| INVESTMENTS | 283,094 | 233,099 |
| PROPERTY AND EQUIPMENT, net | 13,731 | 10,760 |
| SECURITY DEPOSIT | <u>1,157</u> | <u>1,157</u> |
| | <u><u>\$ 1,073,395</u></u> | <u><u>\$ 1,048,064</u></u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued payroll | \$ 35,045 | \$ 28,540 |
| Refundable advances | <u>119,245</u> | <u>110,561</u> |
| Total current liabilities | <u>154,290</u> | <u>139,101</u> |
| NET ASSETS | | |
| Unrestricted: | | |
| Undesignated | 701,900 | 714,427 |
| Board designated | <u>27,397</u> | <u>27,557</u> |
| Total unrestricted net assets | 729,297 | 741,984 |
| Temporarily restricted | <u>189,808</u> | <u>166,979</u> |
| Total net assets | <u>919,105</u> | <u>908,963</u> |
| | <u><u>\$ 1,073,395</u></u> | <u><u>\$ 1,048,064</u></u> |

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
STATEMENTS OF ACTIVITIES
For the years ended June 30, 2018 and 2017

| | 2018 | | |
|--|--------------|------------------------|------------|
| | Unrestricted | Temporarily Restricted | Total |
| Support and Revenue | | | |
| Government grants | \$ 440,558 | \$ 459,735 | \$ 900,293 |
| Other grants | 7,192 | - | 7,192 |
| Contributions | 133,043 | - | 133,043 |
| Annual meeting | 54,019 | - | 54,019 |
| Donated food, services, and facilities | 90,544 | - | 90,544 |
| Dues | 15,034 | - | 15,034 |
| Contract income | 6,500 | - | 6,500 |
| Interest income | 2,371 | - | 2,371 |
| Losses on investments | (1,107) | - | (1,107) |
| Other income | 7,691 | - | 7,691 |
| Net assets released from restrictions | 436,906 | (436,906) | - |
| Total support and revenue | 1,192,751 | 22,829 | 1,215,580 |
| Expenses | | | |
| Program services | 998,668 | - | 998,668 |
| Management and general | 112,702 | - | 112,702 |
| Fundraising | 94,068 | - | 94,068 |
| Total expenses | 1,205,438 | - | 1,205,438 |
| Change in Net Assets | (12,687) | 22,829 | 10,142 |
| Net Assets, Beginning | 741,984 | 166,979 | 908,963 |
| Net Assets, Ending | \$ 729,297 | \$ 189,808 | \$ 919,105 |

| 2017 | | |
|--------------|---------------------------|------------|
| Unrestricted | Temporarily Restricted | Total |
| \$ 416,866 | \$ 361,695 | \$ 778,561 |
| 23,282 | - | 23,282 |
| 181,092 | - | 181,092 |
| 51,265 | - | 51,265 |
| 80,934 | - | 80,934 |
| 18,572 | - | 18,572 |
| 5,500 | - | 5,500 |
| 2,782 | - | 2,782 |
| (2,597) | - | (2,597) |
| 8,535 | - | 8,535 |
| 365,816 | (365,816) | - |
| 1,152,047 | (4,121) | 1,147,926 |
| 854,324 | - | 854,324 |
| 128,231 | - | 128,231 |
| 85,859 | - | 85,859 |
| 1,068,414 | - | 1,068,414 |
| 83,633 | (4,121) | 79,512 |
| 658,351 | 171,100 | 829,451 |
| \$ 741,984 | \$ 166,979 | \$ 908,963 |

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the years ended June 30, 2018 and 2017

| | 2018 | | | |
|---|-----------------------------|-----------------------------------|--------------------|---------------------|
| | Program Services | Management and General | Fundraising | Total |
| Salaries and payroll taxes | \$ 665,394 | \$ 59,030 | \$ 42,922 | \$ 767,346 |
| Employee benefits | 38,845 | 9,540 | 1,684 | 50,069 |
| Payroll service fees | 1,757 | 1,222 | 216 | 3,195 |
| Contractual labor | 185,903 | - | - | 185,903 |
| Office supplies, telephone and postage | 24,666 | 4,135 | 2,583 | 31,384 |
| Rent | 41,924 | 14,501 | 3,698 | 60,123 |
| Insurance | 7,131 | 2,432 | 124 | 9,687 |
| Professional fees | 10,282 | 8,989 | 1,701 | 20,972 |
| Copying and printing | 2,242 | 485 | 2,246 | 4,973 |
| Travel and lodging | 8,596 | 194 | 84 | 8,874 |
| Annual meeting food service | 369 | 271 | 17,548 | 18,188 |
| Dues and subscriptions | 6,136 | 8,703 | 3,047 | 17,886 |
| Depreciation | 1,717 | 1,194 | 210 | 3,121 |
| Bank fees | - | - | 3,365 | 3,365 |
| Miscellaneous | 3,706 | 2,006 | 14,640 | 20,352 |
| | <u>\$ 998,668</u> | <u>\$ 112,702</u> | <u>\$ 94,068</u> | <u>\$ 1,205,438</u> |

2017

| Program Services | Management and General | Fundraising | Total |
|-----------------------------|-----------------------------------|--------------------|---------------------|
| \$ 501,446 | \$ 79,853 | \$ 33,592 | \$ 614,891 |
| 33,723 | 5,445 | 3,187 | 42,355 |
| - | 2,941 | - | 2,941 |
| 209,131 | - | - | 209,131 |
| 23,246 | 3,987 | 2,184 | 29,417 |
| 45,664 | 14,708 | 3,811 | 64,183 |
| 6,465 | 1,497 | 220 | 8,182 |
| 14,425 | 9,804 | 1,487 | 25,716 |
| 2,141 | 227 | 2,463 | 4,831 |
| 6,424 | 199 | 49 | 6,672 |
| - | - | 17,426 | 17,426 |
| 3,404 | 6,470 | 3,123 | 12,997 |
| 2,304 | 1,602 | 283 | 4,189 |
| - | - | 3,168 | 3,168 |
| 5,951 | 1,498 | 14,866 | 22,315 |
| <u>\$ 854,324</u> | <u>\$ 128,231</u> | <u>\$ 85,859</u> | <u>\$ 1,068,414</u> |

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
STATEMENTS OF CASH FLOWS
For the years ended June 30, 2018 and 2017

| | <u>2018</u> | <u>2017</u> |
|--|--------------------------|--------------------------|
| Cash Flows from Operating Activities | | |
| Change in net assets | \$ 10,142 | \$ 79,512 |
| Adjustments to reconcile change in net assets to net cash used by operating activities: | | |
| Depreciation and amortization | 3,121 | 4,188 |
| Changes in: | | |
| Grants receivable | (47,510) | (30,972) |
| Prepaid expenses | (8,425) | 419 |
| Unrealized loss | 1,107 | 2,597 |
| Accounts payable and accrued payroll | 6,505 | (21,524) |
| Refundable advance | 8,684 | (65,096) |
| | <u>(26,376)</u> | <u>(30,876)</u> |
| Net cash used by operating activities | | |
| Cash Flows from Investing Activities | | |
| Purchase of equipment | (6,092) | (1,610) |
| Purchase of investments | (51,102) | (105,000) |
| | <u>(57,194)</u> | <u>(106,610)</u> |
| Net cash used by investing activities | | |
| Net Decrease in Cash and Cash Equivalents | (83,570) | (137,486) |
| Cash and Cash Equivalents, Beginning | <u>477,277</u> | <u>614,763</u> |
| Cash and Cash Equivalents, Ending | <u><u>\$ 393,707</u></u> | <u><u>\$ 477,277</u></u> |

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2018 and 2017

NOTE 1 - PURPOSE OF ORGANIZATION

The Women's Law Center of Maryland, Inc., (the Center) is a nonprofit corporation, organized on December 10, 1973 under the laws of the State of Maryland for the purpose of ensuring the safety, economic security, and autonomy of women in Maryland through direct legal services, education, and advocacy.

The Center currently runs the projects described below:

Family Law Hotline (statewide)

The Center's Hotline is a free service to people with basic family law questions such as "What are the grounds for divorce?" Or "If I leave with the kids, can I still get child support?" The volunteer attorneys screen the clients for income eligibility and collect basic data required by the funding source, Maryland Legal Services Corporation. Attorneys experienced in family law staff the hotline.

Protection Order Advocacy and Representation Projects (POARP)

POARP represents victims of domestic violence at protection order hearings in the Baltimore City, Baltimore County and Carroll Circuit Courts. The Project's attorneys represent people who have been abused by an intimate partner (current or past boyfriend / girlfriend, current or ex-spouse) in proceedings to obtain protection orders, enforce protection orders through contempt, and modify existing protection orders.

Multi-ethnic Domestic Violence Project (MEDOVI)

The Center provides advocacy and education to survivors of domestic violence in immigrant communities through MEDOVI. This project provides representation to foreign born victims of domestic violence in VAWA Self-Petitions, VAWA battered spouse waivers, Interim U-Visa applications, as well as in Final Protection Order hearings around the State of Maryland. The MEDOVI staff work with foreign born clients who have been abused by an intimate partner. Any person with a language barrier can access the service because of the Center's commitment to secure an appropriate language interpreter.

Collateral Legal Assistance for Survivors Project (CLAS)

The CLAS project provides all of the above services of POARP as well as representing victims of domestic violence, in collateral, primarily family-law related issues, as time and resources allow. These collateral issues include advocacy (sometimes out of court) and representation in divorce and custody proceedings, landlord/tenant matters, replevin cases, and criminal accompaniments. Representation includes the full array of legal services, including discovery, depositions, retention of experts when necessary, settlement negotiations, and litigation. By retaining the attorney-client relationship after the protective order hearing for collateral issues, CLAS is able to provide client-centered and culturally sensitive services and to prevent the re-traumatization of clients who would otherwise be forced to relive and retell their stories to new attorneys, or more often, cannot find representation at all for these on-going issues.

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2018 and 2017

NOTE 1 - PURPOSE OF ORGANIZATION (Continued)

JUDICARE

The Judicare Project provides professional legal representation in contested child custody and family law cases to low-income litigants in Baltimore County. The Center screens potential clients for eligibility. Clients accepted into the program are provided an attorney for their case.

Employment Law Hotline

The Employment Law Hotline is a telephone service which will provide you with legal information about your rights in the workplace. The Hotline will answer questions about many kinds of workplace problems including: discrimination in hiring, firing, promotions or other working conditions; discrimination based on pregnancy; sexual harassment; family or medical leave issues; unpaid wages; contract issues; minimum wage and overtime violations; eligibility for unemployment insurance; or, being punished by the employer for having acted together with other employees to improve working conditions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Under accounting principles generally accepted in the United States of America, the Center 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.

Restricted and Unrestricted Support and Revenue

Under accounting principles generally accepted in the United States of America, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or the nature of any donor restrictions.

Support and investment earnings that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire 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 donor 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 statements of activities as net assets released from restrictions. There were no permanently restricted net assets at June 30, 2018 and 2017.

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2018 and 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The State of Maryland enacted Uniform Prudent Management Institutional Funds Act (UPMIFA) on April 14, 2009, the provisions of which apply to endowment funds existing on or established after the date of enactment. The Center follows FASB Accounting Standards Codification (ASC) 958 relating to endowments. Management has determined that the Center's board-designated net assets meet the definition of endowment funds under UPMIFA and FASB ASC 958.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and investment instruments with original maturities of three months or less.

Investments

Investments consist of certificates of deposit with original maturities in excess of 365 days. Investments are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect account balances and the amounts reported in the accompanying financial statements.

Investments are carried at their fair value as of the date of the statements of financial position, which may differ from the amount ultimately realized at the time of sale. Realized and unrealized gains and losses are reflected in the statements of activities. The cost of investments sold is determined by the specific identification method.

Fair Value Measurements

The Center follows FASB ASC 820, *Fair Value Measurements and Disclosures*, which provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to the unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- *Level 1:* Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date (e. g., equity securities traded on the New York Stock Exchange).
- *Level 2:* Level 2 inputs are from other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (e. g., quoted market prices of similar assets or liabilities in active markets, or quoted market prices for identical or similar assets or liabilities in markets that are not active).
- *Level 3:* Level 3 inputs are unobservable (e. g., a company's own data) and should be used to measure fair value to the extent that observable inputs are not available.

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2018 and 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of the observable inputs and minimize the use of the unobservable inputs.

Grants Receivable

Grants receivable are valued at management's estimate of the amount that will be ultimately collected. Management considers grants receivable to be fully collectible; accordingly, no allowance for doubtful grants has been provided. If amounts become uncollectible, they are charged to operations in the period in which that determination is made.

Donated Services, Facilities, and Food

In accordance with accounting principles generally accepted in the United States of America, contributions of donated services that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. A substantial number of unpaid volunteers have donated their time to operate the Center's Family Law Hotline and Employment Law Hotline. For the years ending June 30, 2018 and 2017, \$59,500 and \$47,750, respectively, have been recognized in the statements of activities. In addition, the Center receives donated office space for legal projects, as well as donated food and publicity for fundraising. The Center has reported the value of those donations as revenue and expense of \$31,044 and \$33,184 in the statements of activities for the years ended June 30, 2018 and 2017, respectively.

Refundable Advances

Refundable advances represent grant funds received prior to expenditure, which must be returned to the grantor if the necessary expenses are not incurred.

Functional Allocation of Expenses

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

Income Taxes

The Center is exempt from federal and state income taxes (except taxes on unrelated business income, if any) under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as *other than a private foundation*. No provision for income taxes is required as of June 30, 2018 and 2017, since the Center had no taxable income from unrelated business activities.

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2018 and 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The income tax positions taken by the Center for any years open under the various statutes of limitations are that the Center continues to be exempt from income taxes and that they have properly reported unrelated business income that is subject to income taxes. The Center believes that there are no tax positions taken or expected to be taken that would significantly increase unrecognized tax liabilities within 12 months of the reporting date. None of the Center's federal or state income tax returns are currently under examination.

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 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.

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENT

The following presents the Center's major categories of assets measured at fair value on a recurring basis during the years ended June 30, 2018 and 2017, using quoted prices in active markets for identical assets (Level 1); quoted prices in markets that are not active or for significant other observable inputs (Level 2); and significant unobservable inputs (Level 3):

| | <u>Total</u> | <u>Inputs (Level 1)</u> | <u>Inputs (Level 2)</u> | <u>Inputs (Level 3)</u> |
|-------------------------|-------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>June 30, 2018</u> | | | | |
| Certificates of Deposit | <u>\$ 283,094</u> | <u>\$ -</u> | <u>\$ 283,094</u> | <u>\$ -</u> |
| | <u>Total</u> | <u>Inputs (Level 1)</u> | <u>Inputs (Level 2)</u> | <u>Inputs (Level 3)</u> |
| <u>June 30, 2017</u> | | | | |
| Certificates of Deposit | <u>\$ 233,099</u> | <u>\$ -</u> | <u>\$ 233,099</u> | <u>\$ -</u> |

Certificates of deposit are measured at fair value on a recurring basis using quoted market prices for those or similar instruments. There have been no changes to the valuation methodologies used at June 30, 2018 and 2017.

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2018 and 2017

NOTE 4 - PROPERTY AND EQUIPMENT, WEBSITE DEVELOPMENT COSTS

Property and Equipment

The Center follows the practice of capitalizing, at cost, all expenditures for property and equipment in excess of \$500. The assets are depreciated using the straight-line method over the estimated useful lives. Assets not placed in service include office equipment which was placed in use in July 2018 and will begin depreciating at that point.

Property and equipment at June 30 consisted of the following:

| | <u>2018</u> | <u>2017</u> |
|--------------------------------|-------------------------|-------------------------|
| Equipment | \$ 31,894 | \$ 31,894 |
| Furniture and fixtures | <u>13,612</u> | <u>13,612</u> |
| | 45,506 | 45,506 |
| Less accumulated depreciation | <u>37,866</u> | <u>34,746</u> |
| | 7,640 | 10,760 |
| Assets not placed into service | <u>6,091</u> | - |
| Property and equipment, net | <u><u>\$ 13,731</u></u> | <u><u>\$ 10,760</u></u> |

Depreciation expense for property and equipment for the years ended June 30, 2018 and 2017 was \$3,121 and \$4,188, respectively.

NOTE 5 - OPERATING LEASE

The Center has an operating lease for office space which expires on July 31, 2019. The lease agreement was amended effective January 1, 2018, reducing the monthly payments to \$2,647.

Future minimum lease payments follow:

| | |
|----------------------|-------------------------|
| Year ending June 30: | |
| 2019 | 31,768 |
| 2020 | <u>2,647</u> |
| | <u><u>\$ 34,415</u></u> |

Rental expense for the years ended June 30, 2018 and 2017 was \$60,123 and \$64,184, respectively, which includes \$16,988 and \$20,320 in donated office space for years ended June 30, 2018 and 2017, respectively.

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2018 and 2017

NOTE 6 - DESIGNATION AND RESTRICTIONS ON NET ASSETS

Funds Designated by Board

The Endowment Fund was established to generate revenue to support the mission of the organization and specific programs as determined by the Board. The fund meets the definition of an endowment fund under accounting principles generally accepted in the United States of America. Funds designated by the Board and the related earnings are to be held and invested until appropriated by the Board. The balance at June 30, 2018 and 2017 was \$27,397 and \$27,557, respectively. The fund is comprised of cash and related investment earnings.

Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods:

| | <u>2018</u> | <u>2017</u> |
|---|-------------------|-------------------|
| Restricted for time | \$ 187,000 | \$ 166,979 |
| Restricted for purpose - POARP | <u>2,808</u> | <u>-</u> |
| Total temporarily restricted net assets | <u>\$ 189,808</u> | <u>\$ 166,979</u> |

NOTE 7- UNITED JEWISH ENDOWMENT FUND

In 1999, the Center was named the beneficiary of a \$1,000,000 fund placed with the United Jewish Endowment Fund. The purpose of the donation was to fund the family law services provided by the Center. The Center receives monthly statements from the United Jewish Endowment containing the account balance and transaction summary, but the Center has no control or input over the investment of the funds paid into the Fund. All principal and income of the Fund will be distributed only to the Center at the discretion of the donor, who has variance power. In accordance with financial accounting standards, the Center does not recognize its potential for future distributions from the assets held by the Fund.

Distributions are recognized as revenue when received by the Center. Contributions from this fund were \$34,302 and \$70,000 for each of the years ended June 30, 2018 and 2017, respectively, and are included in contributions revenue in the statements of activities. The contribution received by the Center in 2018 was the final payment from this fund.

NOTE 8 - CONCENTRATION OF CREDIT RISK

The Center maintains its operating cash balances with major financial institutions. At times, these balances may exceed federal insurance limits; however, the Center has not experienced any losses with respect to the balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of June 30, 2018 and 2017.

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2018 and 2017

NOTE 9 - OTHER CONCENTRATIONS

The Center receives a substantial portion of its revenue from state and local governments. Grants from two government agencies approximated 62% and 68% of total grant revenue for the years ended June 30, 2018 and 2017, respectively. Grants receivable from one government agency approximated 51% and 53% of the total grants receivable for the years ended June 30, 2018 and 2017, respectively. The Center receives grants which renew annually subject to the approval of the grantor.

NOTE 10 - PENSION PLAN

The Center offers a Simple IRA pension plan to all eligible employees. Employees who choose to participate may make contributions through pre-tax payroll withholdings. The Center determines annually the amount of matching contributions to be made. For the years ended June 30, 2018 and 2017 matching contributions were \$9,527 and \$9,068, respectively.

NOTE 11 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 18, 2018, which is the date the financial statements are available to be issued

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

Board of Directors
The Women's Law Center of Maryland, Inc.
Towson, Maryland

We have audited the financial statements of The Women's Law Center of Maryland, Inc. as of and for the years ended June 30, 2018 and 2017, and our report thereon dated January 18, 2018, which contained an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole.

The Schedules of Grant Revenue and Expenses Relating to Maryland Legal Services Corporation Grant on page 18 are presented for purposes of additional analysis and are 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.

UHY LLP

Columbia, Maryland
January 18, 2018

THE WOMEN'S LAW CENTER OF MARYLAND, INC.
SCHEDULES OF GRANT REVENUE AND EXPENSES RELATING TO
MARYLAND LEGAL SERVICES CORPORATION GRANT
For the years ended June 30, 2018 and 2017

| | 2018 | 2017 |
|---------------------------|-------------------|--------------------|
| Grant Revenue | \$ 234,246 | \$ 183,853 |
| Expenses | | |
| Contract labor | 86,808 | 106,066 |
| Dues and subscriptions | 275 | 281 |
| Equipment rental | 2,619 | 2,536 |
| Health Insurance | 892 | - |
| Insurance | 2,500 | 2,500 |
| Office supplies | 637 | 940 |
| Postage and delivery | 1,009 | 1,000 |
| Printing and reproduction | 627 | 1,036 |
| Professional fees | 2,000 | 2,000 |
| Rent | 6,600 | 6,600 |
| Salary | 108,618 | 84,049 |
| Simple IRA | 509 | - |
| Taxes - payroll | 9,288 | 4,787 |
| Telephone | 10,799 | 12,414 |
| Travel | 1,065 | 892 |
| Total expenses | 234,246 | 225,100 |
| Net | \$ - | \$ (41,247) |

See report of independent auditors on supplementary information.