

SINGLETON MOMS  
FINANCIAL STATEMENTS  
AND  
INDEPENDENT ACCOUNTANTS' REVIEW REPORT  
MARCH 31, 2014

## CONTENTS

	<u>Page</u>
Independent Accountants' Review Report.....	1
Financial Statements:	
Statement of Financial Position.....	2
Statement of Activities.....	3
Statement of Functional Expenses.....	4
Statement of Cash Flows.....	5
Notes to Financial Statements.....	6 - 10

Independent Accountants' Review Report

To the Board of Directors of  
Singleton Moms  
Scottsdale, Arizona

We have reviewed the accompanying statement of financial position of Singleton Moms (a nonprofit organization) as of March 31, 2014, and the related statements of activities, cash flows and functional expenses for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Singleton Moms' management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Fester & Chapman P.C.*

September 16, 2014

SINGLETON MOMS  
Statement of Financial Position  
March 31, 2014

ASSETS

Current assets:	
Cash	\$ 103,213
Investments	42,004
Contributions receivable	1,346
Prepaid expense	787
Inventory	<u>10,330</u>
Total current assets	157,680
Donor database and equipment, net of \$10,671 accumulated depreciation	<u>3,246</u>
Total assets	<u><u>\$ 160,926</u></u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 343
Accrued payroll and related	<u>7,524</u>
Total current liabilities	7,867
Unrestricted net assets	<u>153,059</u>
Total liabilities and net assets	<u><u>\$ 160,926</u></u>

See accompanying notes and independent accountants' review report.

SINGLETON MOMS  
Statement of Activities  
Year ended March 31, 2014

Revenue and support:	
Contributions and donations	\$ 268,718
Special events (net of direct benefits to donors of \$25,123)	68,821
In-kind contributions	108,718
Investment income	<u>2,493</u>
Total revenue and support	<u>448,750</u>
Expenses:	
Program services:	
Singleton Pockets	61,286
Singleton Kitchen	53,861
Singleton Care Team Cleans	9,184
Case Management	32,680
Bare Necessities	64,466
Singleton Kids	63,962
Singleton Phonebook	13,938
Seeds of Strength	<u>7,127</u>
Total program services	<u>306,504</u>
Support services:	
Management and general	74,041
Fundraising	<u>45,242</u>
Total support services	<u>119,283</u>
Total expenses	<u>425,787</u>
Change in net assets	22,963
Net assets, beginning of year	<u>130,096</u>
Net assets, end of year	<u>\$ 153,059</u>

See accompanying notes and independent accountants' review report.

SINGLETON MOMS  
Statement of Functional Expenses  
Year Ended March 31, 2014

	Program Services								Supporting Services		Totals	
	Singleton Pockets	Singleton Kitchen	Singleton Care Team Cleans	Case Management	Bare Necessities	Singleton Kids	Singleton Phonebook	Seeds of Strength	Total Program Services	Management and General		Fundraising
Direct assistance to families	\$ 45,315	\$ 42,392	\$ 2,788		\$ 47,223	\$ 50,985	\$ 12,213	\$ 3,726	\$ 204,642			\$ 204,642
Payroll and related expenses	10,409	6,714	2,384	\$ 20,220	10,979	9,103	1,132	2,484	63,425	\$ 34,405	\$ 12,853	110,683
Advertising and marketing										11,460		11,460
Bank and merchant service fees	372	287	34	930	486	254	42	63	2,468	1,759		4,227
Depreciation										3,671		3,671
Donor relations											1,473	1,473
Grant writer											5,000	5,000
Special events											22,891	22,891
Insurance	20	61	61	445	222	198	121	425	1,553	469		2,022
Mileage	209	172	70	670	258	155	23	23	1,580	600	166	2,346
Office rent and storage	1,583	1,397	687	4,096	2,504	1,168	176	176	11,787	4,560	1,230	17,577
Office supplies	311	207	126	807	382	208	34	34	2,109	1,110	243	3,462
Postage and mailings	175	117	58	430	215	115	20	19	1,149	665	138	1,952
Printing and publications				557					557			557
Professional fees										8,564		8,564
Telephone, fax and internet	362	279	156	876	447	283	37	37	2,477	1,014	264	3,755
Training and recruitment	1,265	1,191	2,233	372	75	521			5,657	1,786		7,443
Website and email	1,265	1,044	587	3,277	1,675	972	140	140	9,100	3,978	984	14,062
Total expenses	<u>\$ 61,286</u>	<u>\$ 53,861</u>	<u>\$ 9,184</u>	<u>\$ 32,680</u>	<u>\$ 64,466</u>	<u>\$ 63,962</u>	<u>\$ 13,938</u>	<u>\$ 7,127</u>	<u>\$ 306,504</u>	<u>\$ 74,041</u>	<u>\$ 45,242</u>	<u>\$ 425,787</u>

See accompanying notes and independent accountants' review report.

SINGLETON MOMS  
Statement of Cash Flows  
Year ended March 31, 2014

Cash flows from operating activities:	
Change in net assets	\$ 22,963
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	3,671
Donated inventory	(2,383)
Gain on investments	(1,907)
Changes in:	
Contributions receivable	(1,346)
Prepaid expenses	1,213
Accounts payable	343
Accrued payroll and related	<u>7,524</u>
Net cash provided by operating activities	30,078
 Cash flows from investing activities:	
Purchase of equipment	<u>(3,417)</u>
Net cash used by investing activities	<u>(3,417)</u>
 Net increase in cash	26,661
 Cash, beginning of year	<u>76,552</u>
 Cash, end of year	<u><u>\$103,213</u></u>

See accompanying notes and independent accountants' review report.

## SINGLETON MOMS

### Notes to the Financial Statements

March 31, 2014

#### NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Singleton Moms, a nonprofit organization, was incorporated under the laws of the State of Arizona in October 2006. The mission of Singleton Moms is to bring hope, help and support to struggling single parents battling cancer. Singleton Moms' unique programs offer emotional, financial and domestic support to courageous moms and dads who are undergoing treatment. Singleton Moms' major program activities are as follows:

- 1) Singleton Pockets - This program provides recurring financial assistance of up to \$250 a month per family throughout the period of treatment. This financial assistance is paid directly toward a household bill or expense. Cash is never given directly to the parent.
- 2) Singleton Kitchen - The focus of this program is to provide nutritious, well-balanced, pre-prepared meals for families.
- 3) Case Management - Singleton Moms' Program Coordinator works as an advocate and in collaboration with our cancer community partners to seek out and coordinate additional resources for the families we serve.
- 4) Bare Necessities - Through this program, practical day-to-day household and personal care items, donated by the community, are provided to relieve the families' budget and keep their home running smoothly.
- 5) Singleton Kids - The Singleton Kids program offers youth, experiencing similar feelings and living situations, a space to share their experiences with one another. The program works to help families celebrate the many milestones of their childhood, and offers access to developmental activities such as: social outings, Just for Me, Just for Fun grants, Birthday Box supplies, Bare Necessities craft days and Singleton Santa's.
- 6) Singleton Phonebook - This program is a referral network of local businesses and professionals willing to provide special services to the single parents and their children at no cost.

Singleton Moms is dedicated to nurturing single parents battling cancer and their minor children, by meeting the practical day-to-day needs of the entire family, while providing hope for tomorrow. Singleton Moms is funded by contributions from the public, and holds an annual gala, casino night and 5k run to raise funds to support its mission.



# SINGLETON MOMS

## Notes to Financial Statements

March 31, 2014

### NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Basis of Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) topic of *Not-for-Profit Entities*. Singleton Moms 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. Singleton Moms did not have any temporary or permanently restricted net assets at March 31, 2014.

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.

Contributions: Contributions are reported in accordance with FASB ASC's topic of *Not-for-Profit Entities*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Inventory: Inventory is comprised of household supplies for Singleton parents. Inventory is stated at lower of cost or market, using the first-in, first-out method.

Donor Database and Equipment: The Organization capitalizes all acquisitions of capital assets in excess of \$750 with estimated useful lives greater than one year. The donor database and equipment is recorded at cost, or at estimated value at the date of gift if donated. The cost or value is allocated to current and future periods through depreciation which is computed using the straight-line method over 3 - 15 years, based on the estimated economic lives of the assets.

In-kind Contributions: Singleton Moms records revenue for the fair value of contributed services received, where the services require specialized skills, are provided by individuals possessing these skills and represent services that would have been otherwise purchased. Donated materials are recorded at their estimated fair values at the date of receipt.

Income Taxes: Singleton Moms is exempt from federal and state income taxes as an organization other than a private foundation under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to Singleton Moms' tax-exempt purpose is subject to taxation as unrelated business income. Singleton Moms' Forms 990 *Return of Organization Exempt From Income Tax* are generally subject to examination for three years after they are filed, and the related State of Arizona Forms 99 are generally subject to examination for four years from the later of the due date or the file date of the tax return.

SINGLETON MOMS  
Notes to Financial Statements  
March 31, 2014

NOTE 1 - BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -  
CONTINUED

Functional Expense Allocation: The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities, and presented in detail in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on directly identifiable expenses, or on management's estimates of employee hours and facility usage to each function.

Advertising and Marketing: Advertising and marketing costs are expensed in the year expended.

Subsequent Events: Management of Singleton Moms has evaluated events and transactions for subsequent events that would impact the financial statements for the year ended March 31, 2014 through September 16, 2014, the date that the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

NOTE 2 - CONCENTRATION OF CREDIT RISK

Singleton Moms maintains its cash in checking and savings accounts with a financial institution. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Investments, which consists of money market and mutual funds, are held in brokerage accounts and protected by the Securities Investor Protection Corporation (SIPC) up to \$500,000. All balances were insured under FDIC, or covered by SIPC at March 31, 2014. Singleton Moms has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments consist of shares in money market accounts and mutual funds, and are stated at fair value. Investment income consisted of the following for the year ending March 31, 2014:

Interest and dividend income	\$ 586
Unrealized gain	<u>1,907</u>
	<u><u>\$ 2,493</u></u>

Investments are measured by a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

SINGLETON MOMS  
Notes to the Financial Statements  
March 31, 2014

NOTE 3 - INVESTMENTS AND FAIR VALUE MEASUREMENTS - CONTINUED

The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Singleton Moms values its investments based on Level 1 inputs.

Level 2 inputs generally are available indirect information, such as quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active. Singleton Moms currently does not have any financial instruments it values based on Level 2 inputs.

Level 3 inputs are the most subjective, and are generally based on the entity's own assumptions on how knowledgeable parties would price assets or liabilities, and are developed using the best information available in the circumstances. Singleton Moms currently does not have any financial instruments it values based on Level 3 inputs.

Fair value of assets measured on a recurring basis at March 31, 2014 was as follows:

	<u>Level 1</u>
Money market funds	\$ 984
Mutual funds	<u>41,020</u>
	<u>\$ 42,004</u>

NOTE 4 - OFFICE RENT

Singleton Moms leases office space under an operating lease agreement that expires on March 30, 2015. Rent expense associated with the lease totaled \$16,536 during the year ended March 31, 2014. Future minimum lease payments for the year ending March 31, 2015 are \$22,800.

## SINGLETON MOMS

### Notes to the Financial Statements

March 31, 2014

#### NOTE 5 - IN-KIND CONTRIBUTIONS

During the year ended March 31, 2014, the following in-kind contributions were received by Singleton Moms and, recorded as part of direct assistance to families on the Statement of Functional Expenses:

Christmas gifts and toys	\$	37,250
Toiletries and other household items		54,176
Professional services		12,213
Meals		<u>5,079</u>
	\$	<u>108,718</u>

A substantial number of individuals and organizations also volunteer their time to Singleton Moms' program services and supporting activities. No amounts have been reflected for this donation as it does not meet the criteria for inclusion in the financial statements.

#### NOTE 6 - RELATED PARTY TRANSACTION

During the year ended March 31, 2014, Singleton Moms paid \$13,200 for website design, brand marketing consulting and copywriting services to a company owned by a member of the Board of Directors.