

Report of Audit

on the

Financial Statements

of the

*Partners for Women
and Justice, Inc.*

for the

*Year Ending
June 30, 2016*

PARTNERS FOR WOMEN AND JUSTICE INC.

INDEX

PAGE
NUMBER

Independent Auditor's Report	1-2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	3-4

EXHIBITS

"A" Statement of Financial Position - June 30, 2016	5
"B" Statement of Activities for the Year Ended June 30, 2016	6
"C" Statement of Cash Flows for the Year Ended June 30, 2016	7
"D" Statement of Functional Expenses for the Year Ended June 30, 2016	8
Notes to Financial Statements - June 30, 2016	9-14

SCHEDULES

"1" Schedule of Expenditures of Federal Awards for the Year Ended June 30, 2016	15
---	----



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Partners for Women and Justice, Inc.
Montclair, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of Partners for Women and Justice, Inc. which comprise the statements of financial position as of June 30, 2016 and the related statements of activities, functional expenses, and cash flows for the year 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

SUPLEE, CLOONEY & COMPANY

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Partners for Women and Justice, Inc. as of June 30, 2016, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 19, 2016 on our consideration of Partners for Women and Justice, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Partners for Women and Justice, Inc.'s internal control over financial reporting and compliance.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Partners for Women and Justice, Inc. financial statements. The schedule of expenditures of federal awards as required by Office of Management and Budget Uniform Grant Guidance is presented for purposes of additional analysis and are not a required part of the financial statements.

The schedule listed above 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. Such 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 schedule of expenditures of federal awards, as required by the Office of Management and Budget Uniform Grant Guidance is fairly stated, in all material respects, in relation to the financial statements as a whole.

October 19, 2016





SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail info@scnco.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Trustees
Partners for Women and Justice, Inc.
Montclair, New Jersey

We have audited the financial statements of Partners for Women and Justice, Inc. as of and for the year ended June 30, 2016, and have issued our report thereon dated October 19, 2016. We conducted our audit in accordance with U. S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Partners for Women and Justice, Inc.'s internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Partners for Women and Justice's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Partners for Women and Justice, Inc.'s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Corporation's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

SUPLEE, CLOONEY & COMPANY

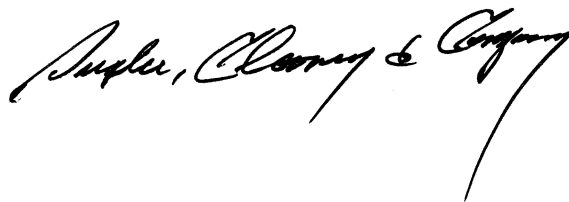
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Partners for Women and Justice, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

October 19, 2016

A handwritten signature in cursive script that reads "Suplee, Clooney & Company". The signature is written in black ink and is positioned to the right of the date.

PARTNERS FOR WOMEN AND JUSTICE, INC.STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016A S S E T SCURRENT ASSETS:

Cash and Cash Equivalents	\$ 360,532
Accounts and Grants Receivable	132,520
Pledges Receivable, net	165,678
Prepaid Insurance	4,084

<u>Total Current Assets</u>	<u>662,814</u>
-----------------------------	----------------

OTHER ASSETS:

Fixed Assets	
Computers	42,557
Furniture	29,731
	<u>72,288</u>
Less: Accumulated Depreciation	61,581

<u>Net Fixed Assets</u>	<u>10,707</u>
-------------------------	---------------

Deposits	<u>4,439</u>
----------	--------------

<u>TOTAL ASSETS</u>	<u>\$ 677,960</u>
---------------------	-------------------

LIABILITIES AND NET ASSETSCURRENT LIABILITIES:

Accounts Payable and Accrued Expenses	\$ 15,516
Deferred Revenue	3,750

<u>Total Current Liabilities</u>	<u>19,266</u>
----------------------------------	---------------

Net Assets:

Unrestricted	
Board-Designated - Fund for the Future	144,900
Undesignated	390,116

<u>Total Unrestricted Net Assets</u>	<u>535,016</u>
--------------------------------------	----------------

Temporarily Restricted	<u>123,678</u>
------------------------	----------------

<u>Total Net Assets</u>	<u>658,694</u>
-------------------------	----------------

<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 677,960</u>
---	-------------------

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

PARTNERS FOR WOMEN AND JUSTICE, INC.STATEMENT OF ACTIVITIES FOR THE
YEAR ENDED JUNE 30, 2016

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
Changes in Net Assets:			
Support and Revenues:			
Contributions - Individuals	\$ 133,780	\$ 20,000	\$ 153,780
Contributions - Corporations	26,339		26,339
Government Grants	169,070		169,070
Foundations	92,800		92,800
United Way	13,575		13,575
Special Events, net of direct costs of \$56,027	281,009		281,009
Investment Return	972		972
Contributions-in-Kind	954,587		954,587
Released from Restrictions	73,177	(73,177)	
	<u>1,745,309</u>	<u>(53,177)</u>	<u>1,692,132</u>
<u>Total Support and Revenues</u>			
Expenses:			
Program Services	1,451,801		1,451,801
Management and General	82,697		82,697
Fundraising	174,152		174,152
	<u>1,708,650</u>		<u>1,708,650</u>
<u>Total Expenses</u>			
Increase (Decrease) in Net Assets	36,659	(53,177)	(16,518)
Net Assets, beginning of the period	<u>498,357</u>	<u>176,855</u>	<u>675,212</u>
Net Assets, end of the period	<u>\$ 535,016</u>	<u>\$ 123,678</u>	<u>\$ 658,694</u>

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

PARTNERS FOR WOMEN AND JUSTICE, INC.STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016OPERATING ACTIVITIES

Increase in Net Assets	\$ (16,518)
Add Expenses Not Requiring Use of Cash	
Depreciation Expense	3,141
Add (Deduct) Changes in Non-Cash Working Capital	
Contributions Receivable	(73,020)
Pledges Receivable, net	72,053
Prepaid Insurance	243
Other Assets	1,855
Accounts Payable and Accrued Liabilities	(11,484)
Deferred Revenue	3,750
	<hr/>
<u>Net Cash Provided (Used) By Operating Activities</u>	<u>(19,980)</u>

INVESTING ACTIVITIES

Purchase of Fixed Assets	<hr/> (5,783)
<u>Net Cash Provided (Used) By Investing Activities</u>	<u>(5,783)</u>
Increase (Decrease) in Cash and Cash Equivalents	(25,763)
Cash and Cash Equivalents, beginning of the period	<hr/> 386,295
Cash and Cash Equivalents, end of the period	<u><u>\$ 360,532</u></u>

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

PARTNERS FOR WOMEN AND JUSTICE, INC.STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016

	<u>PROGRAM SERVICES</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>FUNDRAISING</u>	<u>TOTAL EXPENSES</u>
Personnel Costs:				
Payroll	\$ 363,528	\$ 46,550	\$ 140,777	\$ 550,855
Payroll Taxes	30,465	4,175	11,530	46,170
Employee Benefits	11,335			11,335
	<hr/>	<hr/>	<hr/>	<hr/>
Total Personnel Costs	405,328	50,725	152,307	608,360
	<hr/>	<hr/>	<hr/>	<hr/>
Operating Expenses:				
Professional Fees	20,236	4,336	4,336	28,908
Supplies	7,010	823	864	8,697
Telecommunications	6,423	1,321	2,757	10,501
Occupancy	28,925	5,054	5,054	39,033
Postage and Shipping	3,903	357	2,024	6,284
Printing	9,051	1,672	3,052	13,775
Travel	10,656	463	351	11,470
Dues	3,185	313	350	3,848
Donated Legal Services	945,090	9,497		954,587
Professional Development	1,546	385	110	2,041
Insurance	6,428	1,683	770	8,881
Pledges Allowance for Uncollectable		4,750		4,750
Other	1,727	894	1,753	4,374
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Total Expenses Before Depreciation</u>	1,044,180	31,548	21,421	1,097,149
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation	2,293	424	424	3,141
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	<u>\$ 1,451,801</u>	<u>\$ 82,697</u>	<u>\$ 174,152</u>	<u>\$ 1,708,650</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

PARTNERS FOR WOMEN AND JUSTICE

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

NATURE OF ACTIVITIES

Partners for Women and Justice, Inc. (Partners) was incorporated as a non-profit organization in the State of New Jersey on August 15, 2001. Partners empowers low-income victims and survivors of domestic violence to build safe and secure futures for themselves and their children by providing equal access to justice. We offer quality legal assistance in domestic violence and family law matters.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Partners prepares its financial statements on the accrual basis.

Financial Statement Presentation

Net assets and revenues, gains, and losses are classified based on the absence or existence and nature of donor-imposed restrictions as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of Partners and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by Partners. Generally, the donors of these assets permit Partners to use all or part of the income earned on related investments for general or specific purposes.

Income Taxes

Partners qualifies as a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

The most significant tax position of Partners is its assertion that it is exempt from income taxes. Other significant tax positions include its determination of whether any amounts are subject to unrelated business tax (UBIT). Management has determined that Partners had no activities subject to UBIT in the year ended June 30, 2016. All significant tax positions have been considered by management and it has determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities.

PARTNERS FOR WOMEN AND JUSTICE
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

Income Taxes (Continued)

Partners is required to file Form 990 (Return of Organization Exempt from Income Tax) which is subject to examination by the Internal Revenue Service (IRS) up to three years from the extended due date of the tax return. The Forms 990 for 2013 through 2015 are open to examination by the IRS as of June 30, 2016.

Cash Equivalents

For purposes of the statement of cash flows, Partners considers all monies in banks and highly liquid investments with maturity dates of less than three months to be cash equivalents.

Accounts, Grants and Contracts Receivable

Partners considers all accounts, grants and contracts receivable to be fully collectible; no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Prepaid Expenses

Prepaid expenses are monies paid in advance for services that affect future accounting periods. An expense is recognized in the accounting period when the requested goods or services are received.

Contributions

Contributions are recognized when the donor makes a promise to give to Partners that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Unconditional Promise to Give

Unconditional promises to give are recognized as revenues or gains 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 only when the conditions on which they depend are substantially met and the promises become unconditional.

PARTNERS FOR WOMEN AND JUSTICE
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

Fixed Assets

All fixed asset expenditures in excess of \$1,000 are recorded at cost or estimated fair value on the date received. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

Deferred Revenue

Partners recognizes grant and foundation revenue in the period in which the related service is performed. Accordingly, deferred revenue results from grant and foundation fees received for the next fiscal period.

Donated Services

Partners records various types of in-kind contributions. Contributed services are recognized at fair market value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses.

Partners received contributed professional services from cases closed during the year ending June 30, 2016, with an estimated fair market value of \$892,596. Additional contributed legal services with an estimated fair value of \$61,991 were also received.

Functional Allocation of Expenses

Partners allocates its expenses on a functional basis among its various programs and as management and general expenses. Expenses that can be identified with a specific program are charged directly to that program classification. Other expenses that are common to several different functions are allocated among the programs which received a benefit.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

PARTNERS FOR WOMEN AND JUSTICE
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

(2) CASH AND CASH EQUIVALENTS

The components of cash and cash equivalents at June 30, 2016 is summarized as follows:

Cash and Cash Equivalents	<u>\$360,532</u>
	<u>\$360,532</u>

Partners maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits, currently \$250,000. Partners has not experienced any losses in such accounts. Partners believes it is not exposed to any significant credit risk on its cash accounts.

(3) ACCOUNTS AND GRANTS RECEIVABLE

Accounts and Grant Receivables consists of the following at June 30, 2016:

State of New Jersey Grants	\$126,781
Miscellaneous	<u>5,739</u>
	<u>\$132,520</u>

Management believes all receivables to be fully collectible. Accordingly, there is no allowance for uncollectible accounts recorded.

(4) PLEDGES RECEIVABLE

Pledges Receivable as of June 30, 2016 are as follows:

Unconditional Promises to Give	\$170,616
Less: Unamortized Discount	188
Less: Allowance for Uncollectible	<u>4,750</u>
Net Unconditional Promises to Give	<u>\$165,678</u>
Amounts Due In:	
Less Than One Year	\$153,804
One to Five Years	<u>16,812</u>
	<u>\$170,616</u>

PARTNERS FOR WOMEN AND JUSTICE

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

(4) PLEDGES RECEIVABLE (CONTINUED)

In 2013, Partners launched a major gifts campaign to secure dedicated funding for legal programs and create a reserve/sustainability fund entitled "Fund for the Future".

The allowance for uncollectible pledges is based on management's estimates and historical collections on pledges. Unconditional promises to give, which are due in more than one year, are discounted at a risk-free rate of return appropriate for the expected term of the promise to give.

(5) FIXED ASSETS

Fixed assets are stated at cost at date of acquisition. Depreciation is based on estimated useful life of the acquired asset, applied on a straight line basis. At June 30, 2016, such assets were:

Computers	\$42,557
Furniture	<u>29,731</u>
	72,288
Less: Accumulated Depreciation	<u>(61,581)</u>
	<u>\$10,707</u>

(6) CONTINGENT LIABILITIES - GRANTS

Partners participates in federal financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes.

The federal grants received and expended were subject to the Office of Management Uniform Guidance, which mandates that grant revenues and expenditures be audited in conjunction with Partners' annual audit.

Findings and questioned costs, if any, relative to federal financial assistance programs will be discussed in detail in the Schedule of Findings and Questioned Costs. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives.

(7) TEMPORARILY RESTRICTED NET ASSETS

The temporarily restricted net assets of \$123,678 at June 30, 2016 are available for legal programs.

PARTNERS FOR WOMEN AND JUSTICE

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

(8) NET ASSETS RELEASED FROM RESTRICTIONS

At June 30, 2016, \$73,177 of net assets were released from restrictions by (a) incurring expenses satisfying the restricted purposes specified by donors and (b) the expiration of the time restriction of pledges receivable.

(9) SUBSEQUENT EVENTS

Partners has evaluated subsequent events occurring after the financial statement date through October 19, 2016, which is the date the financial statements were available to be issued. Based on this evaluation, Partners has determined that no subsequent events have occurred which require disclosure in the financial statements.

(10) LITIGATION, CLAIMS, AND CONTINGENT LIABILITIES

In the ordinary conduct of its business, the Partners may be a party to litigation. At June 30, 2016, in the opinion of management there were no matters pending or threatened, which would have a material adverse effect on the financial position of Partners.

PARTNERS FOR WOMEN AND JUSTICE, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL C.F.D.A. NUMBER	GRANT AWARD AMOUNT	GRANT PERIOD		FISCAL YEAR		
			FROM	TO	RECEIPTS	EXPENDITURES	
United States Department of Justice - Office for Victims of Crime: Pass-Through New Jersey Department of Law and Public Safety:							
Domestic Violence Staff Legal Representation Program	16.575	\$ 73,900	01/01/16	12/31/16		\$ 38,089	
Domestic Violence Pro Bono Legal Representation Program	16.575	124,383	01/01/16	12/31/16		55,248	
Domestic Violence Staff Attorney Legal Assistance (Middlesex)	16.575	114,382	01/01/16	12/31/16		16,403	
Domestic Violence Pro Bono Legal Representation Program	16.575	55,000	01/01/15	12/31/15	\$ 55,000	25,375	
Domestic Violence Staff Legal Representation Program	16.575	55,000	01/01/15	12/31/15	37,959	33,955	
			<u>GRAND TOTAL</u>		\$ 92,959	\$ 169,070	