

MARJAREE MASON CENTER, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

**WITH INDEPENDENT AUDITOR'S
REPORT THEREON
SEPTEMBER 30, 2012 and 2011**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Marjaree Mason Center, Inc.
Fresno, California

We have audited the accompanying statement of financial position of Marjaree Mason Center, Inc. (the "Organization"), a California public benefit corporation, as of September 30, 2012, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from Marjaree Mason Center, Inc.'s 2011 financial statements and in our report dated December 23, 2011, we expressed an unqualified opinion on those financial statements.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Marjaree Mason Center, Inc. as of September 30, 2012 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2013, on our consideration of Marjaree Mason Center, 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* and should be read in conjunction with this report in considering the results of our audit.

Morse Wittwer Sampson, LLP

January 8, 2013
Fresno, California

MARJAREE MASON CENTER, INC

STATEMENTS OF FINANCIAL POSITION
September 30, 2012 and 2011

	2012	2011
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 615,974	\$ 395,827
Certificates of deposit	307,048	305,515
Investments in marketable securities	1,061,563	787,684
Grants receivable, net	331,206	428,438
Promises to give	10,000	-
Other receivables, net	3,754	4,014
Prepaid expenses	58,391	49,178
Deposits	35,324	42,183
Total current assets	<u>2,423,260</u>	<u>2,012,839</u>
Property and Equipment, Net	<u>1,779,428</u>	<u>1,901,295</u>
Construction in Progress	-	1,316
Beneficial Interest in Perpetual Trusts	<u>153,219</u>	<u>160,430</u>
	<u>\$ 4,355,907</u>	<u>\$ 4,075,880</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Current Liabilities		
Accounts payable	\$ 49,853	\$ 55,451
Accrued expenses	185,345	179,108
Deferred revenue	31,535	21,695
Refundable advances	40,169	71,437
Total current liabilities	<u>306,902</u>	<u>327,691</u>
Long-Term Debt	<u>482,281</u>	<u>482,281</u>
Total liabilities	<u>789,183</u>	<u>809,972</u>
Commitments and Contingencies	-	-
Net Assets		
Permanently restricted	153,219	160,430
Temporarily restricted	392,105	202,571
Unrestricted	<u>3,021,400</u>	<u>2,902,907</u>
	<u>3,566,724</u>	<u>3,265,908</u>
	<u>\$ 4,355,907</u>	<u>\$ 4,075,880</u>

See Independent Auditor's Report and Notes to Financial Statements.

MARJAREE MASON CENTER, INC.

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2012

(With Summarized Financial Information for the Year Ended September 30, 2011)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	
				2012	2011
Revenues, Gains and Other Support					
Grants and contracts	\$ 2,270,870	\$ -	\$ -	\$ 2,270,870	\$ 2,085,801
Contributions	558,278	384,325	-	942,603	570,897
Donated services and supplies	192,986	-	-	192,986	225,399
Special events	79,589	-	-	79,589	61,683
Program fees	244,220	-	-	244,220	281,516
Legacies and bequests	16,628	-	-	16,628	49,200
Earned loan forgiveness	-	-	-	-	515,000
Gain (loss) in fair value of assets	84,765	-	(7,211)	77,554	9,835
Interest income	2,090	-	-	2,090	2,363
Gain (loss) on sale of assets	(302)	-	-	(302)	-
Total revenues, gains and other support	3,449,124	384,325	(7,211)	3,826,238	3,801,694
Net assets released from restrictions:					
Restrictions satisfied by payment of related expenses	194,791	(194,791)	-	-	-
Total revenues, gains and other support after net assets released from restrictions	3,643,915	189,534	(7,211)	3,826,238	3,801,694
Expenses					
Program	3,050,931	-	-	3,050,931	2,867,156
Supporting services	394,782	-	-	394,782	425,157
Fundraising	90,755	-	-	90,755	98,922
Total expenses	3,536,468	-	-	3,536,468	3,391,235
Increase (Decrease) in Net Assets	107,447	189,534	(7,211)	289,770	410,459
Contribution of Grant Funded Assets, Net	11,047	-	-	11,047	133,518
Net Assets at Beginning of Year	2,902,907	202,571	160,430	3,265,908	2,721,931
Net Assets at End of Year	\$ 3,021,401	\$ 392,105	\$ 153,219	\$ 3,566,725	\$ 3,265,908

MARJAREE MASON CENTER, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended September 30, 2012

(With Summarized Financial Information for the Year Ended September 30, 2011)

	Program	Supporting	Fundraising	Total	2011
Accounting and legal	\$ 15,650	\$ 2,086	\$ -	\$ 17,736	\$ 18,300
Advertising	-	-	1,800	1,800	2,128
Bad debt expense	7,032	-	-	7,032	4,167
Bank charges	109	88	-	197	220
Computer services	3,600	16,862	630	21,092	21,148
Conferences, conventions and meetings	41,115	2,277	27,881	71,273	68,694
Depreciation	119,976	37,379	-	157,355	158,123
Donated services and supplies	192,986	-	-	192,986	225,399
Dues and subscriptions	7,648	2,118	526	10,292	6,585
Employee benefits	453,952	38,597	3,484	496,033	384,787
Equipment rental, repairs and maintenance	156,814	27,636	11,944	196,394	348,757
Food	23,936	1,113	-	25,049	28,396
Insurance	27,212	9,129	-	36,341	34,560
Interest	-	-	-	-	14,950
Miscellaneous	380	1,150	3,577	5,107	842
Office expense	8,366	12,809	7,153	28,328	39,045
Printing	4,560	7,303	10,428	22,291	33,546
Professional fees	81,918	23,117	1,484	106,519	121,331
Program supplies	111,479	3,067	4,462	119,008	117,950
Rent	43,492	-	4,759	48,251	56,510
Salaries	1,659,269	176,087	12,627	1,847,983	1,581,393
Security	2,582	863	-	3,445	3,900
Taxes and licenses	233	333	-	566	175
Utilities	88,622	32,768	-	121,390	120,329
	<u>\$ 3,050,931</u>	<u>\$ 394,782</u>	<u>\$ 90,755</u>	<u>\$ 3,536,468</u>	<u>\$ 3,391,235</u>

MARJAREE MASON CENTER, INC.

STATEMENTS OF CASH FLOWS

For the Years Ended September 30, 2012 and 2011

	2012	2011
Cash Flow from Operating Activities		
Increase in net assets	\$ 289,770	\$ 410,459
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	157,355	158,123
Bad debt expense	7,032	4,167
Loss gain on disposal of assets	302	-
Earned loan forgiveness	-	(515,000)
Unrealized gain in fair value of assets	(73,879)	(9,835)
Changes in operating assets and liabilities:		
(Increase) decrease in grants receivable	90,200	(14,065)
(Increase) decrease in other receivables	(9,740)	65,160
(Increase) decrease in prepaid expenses	(9,213)	(2,851)
(Increase) decrease in deposits	6,859	(12,551)
Increase (decrease) in accounts payable	(5,598)	581
Increase (decrease) in accrued expenses	6,237	64,812
(Decrease) in deferred revenue and refundable advances	(21,428)	(151,871)
Net cash provided by (used in) operating activities	<u>437,897</u>	<u>(2,871)</u>
Cash Flows from Investing Activities:		
Purchase of property and equipment	(23,428)	(79,391)
Purchase of investments	(192,789)	(295,199)
Proceeds from sale of investments	-	196,700
Purchase (sale) of certificates of deposit	(307,048)	(428,438)
Maturities of certificates of deposit	305,515	204,280
Net cash used in investing activities	<u>(217,750)</u>	<u>(402,048)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	220,147	(404,919)
Cash and Cash Equivalents, Beginning of Year	395,827	800,746
Cash and Cash Equivalents, End of Year	<u>\$ 615,974</u>	<u>\$ 395,827</u>
Supplemental Disclosure of Cash Payments for:		
Interest	<u>\$ -</u>	<u>\$ 14,950</u>
Non-cash Investing and Financing Activities:		
Grant-funded assets	<u>\$ 62,725</u>	<u>\$ 174,570</u>
Depreciation on grant funded assets	<u>\$(51,679)</u>	<u>\$(41,052)</u>
Construction in progress re-classified to property and equipment	<u>\$ 1,316</u>	<u>\$ 1,476</u>

See Independent Auditor's Report and Notes to Financial Statements.

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

Note 1. Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities: Marjaree Mason Center, Inc., (the "Organization") is a California nonprofit corporation, which operates shelters for victims of domestic violence and their children, and provides counseling, education, and other related services in Fresno County and surrounding areas. The Organization receives funding for its programs and operations from a variety of governmental and community sources, including, but not limited to, the City of Fresno, County of Fresno, U.S. Department of Housing & Urban Development ("HUD"), California Emergency Management Agency ("CalEMA"), First 5 of Fresno County, and the State of California.

The following are the significant accounting policies of the Organization:

Basis of Presentation: The Organization 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 as follows:

Unrestricted: These generally result from revenue generated by receiving unrestricted contributions, providing services, and receiving interest from investments, less expenses incurred in providing program-related services, raising contributions (fundraising expenses), and performing administrative functions.

Temporarily Restricted: Gifts of cash and other assets are temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. The Organization had temporarily restricted net assets of \$392,105 and \$202,571 at September 30, 2012 and 2011, respectively.

Permanently Restricted: These net assets are restricted by donors who stipulate that resources are to be maintained permanently, but permit the Organization to expend all of the income (or other economic benefits) derived from the donated assets. The Organization had permanently restricted net assets of \$153,219 and \$145,448 at September 30, 2012 and 2011, respectively.

Method of Accounting: The Organization uses the accrual basis method of accounting in accordance with accounting principles generally accepted in the United States of America.

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.

NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents: For purposes of reporting the statement of cash flows, the Organization considers cash accounts, money market funds and certificates of deposits with original maturities of three (3) months or less to be cash equivalents. There were no uninsured cash balances at year-end September 30, 2012 and 2011. Beginning December 31, 2010 through December 31, 2012, deposits held in non-interest bearing accounts will be fully insured at all Federal Deposit Insurance Corporation ("FDIC") member institutions.

Investments in Marketable Securities: Investments in marketable securities consist primarily of publicly traded mutual funds and common stock and are recorded at fair value. The fair values of mutual funds and common stock are determined by closing prices on the last day of the fiscal year as published by the markets in which the securities are traded. These investments are covered by the Securities Investor Protection Corporation up to \$500,000 (including \$100,000 of cash).

Grants Receivable: The Organization utilizes the allowance of accounting for and reporting uncollectible or doubtful accounts. Management determines the allowance for doubtful accounts based on an analysis of specific customers, taking into consideration the age of the past due accounts and an assessment of the customer's ability to pay. At September 30, 2012 and 2011, management considered all accounts to be fully collectible, and therefore, no allowance was recorded in the accompanying financial statements.

The Organization grants credits to its customers, substantially all of which are government agencies (federal, state and local), and generally requires no collateral from its customers.

Contributions and Promises to Give: Unconditional contributions, including promises to give at estimated net realizable value, are recognized as revenue in the period received. The Organization reports unconditional contributions as restricted support if they are received with donor stipulations that limit the use of the donated assets. Promises to give at September 30, 2012 and 2011 amounted to \$10,000 and \$0, respectively and are all due within one year and considered fully collectible.

NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Property and Equipment: It is the Organization’s policy to capitalize property and equipment over \$500. Purchased property and equipment is capitalized at cost, donated property and equipment is recorded at fair value. The Organization does not imply restrictions on the use of contributed property and equipment received without donor stipulations. Expenditures that increase the life of the related assets are capitalized. Repairs and maintenance, including planned major maintenance activities, are charged to operations when incurred. Leasehold improvements are depreciated over the lesser of the remaining lease agreement or the estimated useful life. Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	5 - 39
Furnishings, equipment and vehicles	5 - 10

Deferred Revenue and Refundable Advances: Deferred revenue represents special events revenues received by the Organization in advance of the event’s occurrence and grant monies billed but not yet received or earned. Refundable advances represent grant monies received by the Organization, but not yet spent or earned.

In-Kind Contributions: Contributions of non-cash assets are utilized by the Organization in providing services and are recorded at their fair values in the period received. Contributions of non-cash assets received for fundraising events (such as catering, entertainment, etc.) are not recorded in the accompanying financial statements. In addition, contributions of non-cash assets to be sold at fundraising events by the Organization are recorded at the time of sale. Contributions of donated services that create or enhance non-financial assets or 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 number of unpaid volunteers have made significant contributions of their time to the Organization. However, the value of these services is not reflected in the accompanying financial statements because generally accepted accounting principles do not allow for the recognition of non-specialized services. The values of professional services provided by trained volunteers are recorded in the accompanying financial statements (see Note 13).

Advertising Costs: Advertising costs, except for costs associated with direct-response advertising, are charged to operations when incurred. The costs of direct-response advertising are capitalized and amortized over the period during which future benefits are expected to be received. There were no capitalized costs. Advertising costs expensed during the year ended September 30, 2012 and 2011 amount to \$0 and \$2,128, respectively.

NOTES TO FINANCIAL STATEMENTS

September 30, 2012 and 2011

Note 1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

Exchange Transactions: Revenues earned from contracts and grants with County, State and Federal agencies are considered to be exchange transactions. Revenue from exchange transactions are reported gross of any related expense in the accompanying financial statements.

Allocation of Expenses: The costs of providing various programs and activities have been summarized on a functional basis in the statements of activities and functional expenses. During the year, such costs are accumulated into separate groupings as either "direct" or "indirect". Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit, such as square footage, hours worked, and employee headcount. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Fundraising Expenses: Costs of acquiring or applying for a contract or grant are categorized as indirect expenses and not separately stated as fundraising expenses. Fundraising expenses are expensed as incurred. Revenue from fundraising events is recognized in the period in which the event takes place.

Income Taxes: The Organization is a tax-exempt corporation under section 501(c)(3) of the Internal Revenue Code and section 23701(d) of the State of California Corporate Code. The Organization is subject to taxation on any unrelated business income.

Uncertain Tax Positions: The Organization recognizes the effect of income tax provisions only if those positions are more likely than not of being sustained. The Organization does not believe its financial statements include any uncertain tax positions.

The federal and state income tax returns of the Organization have not been examined by the respective taxing authorities. Federal income tax returns for the years subsequent to 2008 are open for examination. State income tax returns for the years subsequent to 2009 are open to examination.

Summarized Comparative Information: The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organizations' financial statements for the year ended September 30, 2011, from which the summarized information was derived.

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

Note 2. Grants Receivable

The following grants receivable from funding sources were due to the Organization as of September 30:

	2012	2011
U.S. Department of Housing and Urban Development	\$ 135,820	\$ 132,466
California Emergency Management Agency	111,329	86,461
Fresno County EOC	23,538	2,241
County CAPIT	22,992	-
U.S. Department of Justice	13,686	28,057
Fresno Police Department	11,309	17,968
County HRAB	7,276	15,554
Victims of Crime	4,173	7,449
Medi-Cal	1,083	4,902
First 5 of Fresno County	-	61,351
City HPRP	-	27,560
City Emergency Shelter Grant	-	23,670
County HPRP	-	8,275
Federal Emergency Management Agency	-	7,486
Fatherhood Grant	-	4,998
	<u>\$ 331,206</u>	<u>\$ 428,438</u>

Note 3. Property and Equipment

Property and equipment consisted of the following at September 30:

	2012	2011
Building and land improvements	\$ 3,081,416	\$ 3,045,653
Leasehold improvements	546,952	546,952
Equipment	394,126	490,526
Buildings	175,887	175,887
Furniture and fixtures	124,079	109,819
Vehicles	79,988	47,098
Land	44,118	44,118
	<u>4,446,566</u>	<u>4,460,053</u>
Less: accumulated depreciation	<u>(2,667,138)</u>	<u>(2,558,758)</u>
	<u>\$ 1,779,429</u>	<u>\$ 1,901,295</u>
Construction in progress	<u>\$ -</u>	<u>\$ 1,316</u>

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

Note 3. Property and Equipment (Continued)

There was no construction in progress in 2012 and in 2011 construction in progress consisted of expenditures on the remodel of the Fresno Shelter. There was no interest capitalized at September 30, 2012 and 2011.

Note 4. Beneficial Interest in Perpetual Trusts

Beneficial interest in perpetual trusts consisted of the Organization's percentage interest in two separate perpetual trusts accounted for as split-interest agreements. The Organization has valued its interest in these trusts based on the fair value of the trusts' assets. At September 30, balances consisted of the following:

	2012	2011
Burks' Trust (5% interest)	\$ 143,358	\$ 149,813
Nine Trust (5% interest)	9,861	10,617
	<u>\$ 153,219</u>	<u>\$ 160,430</u>

Note 5. Investments in Marketable Securities

Investments in marketable securities consisted of the following at September 30:

	2012	2011
Equity Shares:		
iShares Barclays TIPS Bond	\$ 58,080	\$ 54,521
Mutual Funds:		
Lord Abbett Short Duration Income C	107,327	100,675
Templeton Global Bond A	82,364	62,386
Permanent Portfolio	79,842	58,356
MFS Research Bond A	71,505	52,676
James Balanced: Golden Rainbow R	70,249	48,602
American Century Diversified Bond A	69,353	51,824
Janus High-Yield A	68,346	47,389
Fidelity Advisor Strategic Income A	66,368	45,812
Oppenheimer Global Strategic Inc A	59,596	40,627
PIMCO Total Return D	53,168	49,541
Victory Fund for Income A	50,996	-
Dreyfus International Bond A	47,831	-
Fidelity Advisor Emerging Markets Inc A	45,872	25,467
AllianceBern High Income A	45,537	40,607
Matthews Asia Dividend Investor	44,936	39,363
Franklin Strategic Income A	40,193	22,259
Oppenheimer International Bond A	-	47,579
	<u>\$ 1,061,563</u>	<u>\$ 787,684</u>

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS

September 30, 2012 and 2011

Note 5. Investments in Marketable Securities (Continued)

During the year ended September 30, 2012 and 2011, dividend income was approximately \$31,500 and \$30,200, respectively. During the year ended September 30, 2012, unrealized gains were approximately \$44,800, and realized losses from the sale of mutual funds were approximately \$1,740. During the year ended September 30, 2011, unrealized losses were approximately \$8,900, and realized losses from the sale of mutual funds were approximately \$3,300.

Note 6. Fair Value Measurements

The Organization's investments and beneficial interests in perpetual trusts are reported at fair value in the accompanying statements of financial position. The following table presents fair value measurements using quoted prices in active markets for identical assets (level 1):

	2012	2011
Mutual Funds	\$ 1,003,483	\$ 733,163
Common Stock	58,080	54,521
Beneficial Interest in Perpetual Trusts	153,219	160,430
	<u>\$ 1,214,782</u>	<u>\$ 839,780</u>

Accounting principles generally accepted in the United States of America, establishes fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs which are inputs other than quoted prices that are observable, and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No level 2 or Level 3 inputs were applicable to the Organization.

Level 1 Fair Value Measurements

The fair values of marketable securities and common stock held by the Organization are based on quoted market prices. The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end.

The fair values of the Organization's beneficial interest in perpetual trusts are based on the fair value of the trusts' assets, which are based on quoted market prices.

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS

September 30, 2012 and 2011

Note 7. Refundable Advances

Refundable advances at September 30, 2012 and 2011 consisted of unexpended funds received from grantors at year-end. Refundable advances are detailed as follows:

	2012	2011
First 5 of Fresno County	\$ 38,626	\$ 47,926
SC Johnson – Enrichment Center	1,543	23,511
	<u>\$ 40,169</u>	<u>\$ 71,437</u>

Note 8. Line of Credit

The Organization has a \$250,000 working capital line of credit with Central Valley Community Bank. The credit line, which is collateralized by a second trust deed on real property, provides for monthly interest payments at prime plus .50%. At September 30, 2012 the interest rate was 5%. The line of credit matures July 31, 2013. At both September 30, 2012 and 2011, there was no outstanding balance on the line of credit.

Note 9. Long-Term Debt

Long-term debt consisted of the following at September 30:

	2012	2011
State of California Emergency Housing and Assistance Program (“EHAP”), forgivable loan for renovation of an emergency shelter in Fresno. Secured by a deed of trust against the property. The note bears interest at 3%. Repayment is deferred as long as the property is used as an emergency shelter or transitional housing. The term of the loan is seven years which expires March 2013. After the loan term ends, the loan and any accrued interest shall be forgiven. If a transfer or conveyance of the property occurs before the end of the term that results in the development no longer being used as an emergency shelter or transitional housing, EHAP shall terminate the loan and require the immediate repayment of the loan, including all outstanding principal and accrued interest.	<u>\$ 482,281</u>	<u>\$ 482,281</u>

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS

September 30, 2012 and 2011

Note 10. Obligations Under Operating Leases

The Organization leases a house in Reedley from the City of Reedley under a non-cancelable ten-year operating lease, which terminates July 2022. The triple net lease agreement calls for an annual lease payment of \$1. The Organization has determined the fair value of the monthly lease payments to be \$1,800 as of September 30, 2012.

The Organization leases office space in Fresno for the Batterers Intervention Program under an operating lease. Monthly lease payments are approximately \$3,500 with terms that end September 30, 2015.

The Organization leases office equipment under various leases. Monthly lease payments range from approximately \$84 to \$1,682, with terms ending from January 2014 to February 2014.

Future minimum lease payments, on the leases are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2013	\$ 62,821
2014	50,375
2015	42,877
2016	1
Thereafter	5
	<u>\$ 156,079</u>

Rent expense under operating leases for the year ended September 30, 2012 and 2011, respectively, was approximately \$74,200 and \$56,500.

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

Note 11. Temporarily Restricted Net Assets

Amounts received from various donors for specific purposes are temporarily restricted until they have been spent for their specified purposes. Temporarily restricted net assets consisted of the following at September 30:

	2012	2011
Clovis Shelter	\$ 192,040	\$ 6,332
Security System	50,000	-
Programs and Counseling	48,459	74,281
Education and Outreach	46,388	55,889
Shelter, Food, and Supplies for Clients and Children	26,884	42,261
Adopt-a-Room	26,366	20,853
Reedley Shelter	1,339	2,294
Various	629	661
	<u>\$ 392,105</u>	<u>\$ 202,571</u>

Note 12. Retirement Plan

During the year ended September 30, 2003, the Organization established a 401(k) Retirement Plan covering all active, full-time employees, who are age 21 or older. The employer matched 100% of the first 2% of gross salary deferred during the time period October 1, 2010 through September 30, 2012. For the years ended September 30, 2012 and 2011, contribution expense was \$19,405 and \$14,973, respectively, and is included in employee benefits in the statement of functional expenses.

Note 13. Donated Services and Supplies

Donated services and supplies for the years ended September 30, consisted of the following:

	2012	2011
Fresno and Reedley Shelters	\$ 124,886	\$ 118,374
Trained Volunteers	68,100	99,350
Donated Other Services	46,523	43,592
Johnson Architecture	-	5,600
Education Outreach	-	2,075
	<u>\$ 239,509</u>	<u>\$ 268,991</u>

Included in the above totals are \$46,523 and \$43,592, respectively, for the years ended September 30, 2012 and 2011, which are non-specialized services and therefore not required to be recorded in the accompanying statement of activities.

MARJAREE MASON CENTER, INC

NOTES TO FINANCIAL STATEMENTS
September 30, 2012 and 2011

Note 14. Contingencies and Concentrations

Economic Dependency

The Organization receives a majority of its funding through various programs and contracts with federal, state, local, and private agencies. Grants and contracts for the years ended September 30, 2012 and 2011 comprise approximately 60% and 59%, respectively, of total unrestricted revenue. On September 14, 2012, the Office of Management and Budget (OMB) released notice of possible sequestration of federal funds that would lead to cuts of 8.20 percent uniformly for all federal grants. The following is a summary of the percentage of total grants and contracts received from each of the agencies for the year ended September 30, 2012:

<u>Granting and Contracting Agency</u>	<u>Amount</u>	<u>Percentage</u>
Department of Housing and Urban Development	\$ 693,787	31%
California Emergency Management Agency	428,532	18
First 5 of Fresno County	346,701	15
City of Fresno	281,231	12
U.S. Department of Justice	237,793	10
County of Fresno	216,286	10
Fresno County EOC	52,301	2
Other Contracts	8,755	1
Federal Emergency Management Agency	5,484	1
Grant and Contract Totals	<u>\$ 2,270,870</u>	<u>100%</u>

Note 15. Restricted Net Assets

The Organization received a restricted donation in the 2011/2012 fiscal year from the Domus Mitis Foundation in the amount of \$231,250 for a new security system at the Fresno Residential Shelter and construction of the Clovis shelter. The entire amount was recognized as revenue during the 2011/2012 fiscal year. Of this amount, \$0 was spent at September 30, 2012, and was included with temporarily restricted net assets (see Note 11).

Note 16. Subsequent Events

The date to which events occurring after September 30, 2012, the date of the most recent statement of financial position, have been evaluated for possible adjustment to the financial statements or disclosure is January 8, 2013, which is the date on which the financial statements were available to be issued. Subsequent to September 30, 2012, the following occurred:

Construction began at the end of October on a building that will be donated to the Organization once completed. The land on which the building is being built is owned by the City of Clovis and is subject to a \$100 per year, 55 year lease. The building is expected to be completed and placed in service in the spring of 2013.

SUPPLEMENTARY INFORMATION



**MORSE WITTEW
SAMPSON, LLP**

Certified Public Accountants

**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***

Christopher B. Morse
Sheryl E. Morse
Kenneth T. Wittwer
Doug A. Sampson
Robert S. Swanton

Kristina L. Dritsas
Jodi G. Nemeth
Samuel P. Babcock
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Katie S. Rebeiro
Todd H. Rose
Jason L. Welch
Roy K. Kikunaga

TO THE BOARD OF DIRECTORS
Marjaree Mason Center, Inc.
Fresno, California

We have audited the financial statements of Marjaree Mason Center, Inc., a non-profit Organization (the “Organization”), as of and for the year ended September 30, 2012, and have issued our report thereon dated January 8, 2013. 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.

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Internal Control Over Financial Reporting

Management of Marjaree Mason Center, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Organization’s internal control over financial reporting as a basis for designing our auditing 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 Organization’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization’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 combination of deficiencies, in internal control such that there is a reasonable probability that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as described above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 two instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Organization in a separate letter dated January 8, 2013.

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, Federal and State awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Morse Wittwer Sampson, LLP

January 8, 2013
Fresno, California



**MORSE WITTEW
SAMPSON, LLP**

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE THAT
COULD HAVE A DIRECT AND MATERIAL ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

TO THE BOARD OF DIRECTORS
Marjaree Mason Center, Inc.
Fresno, California

Compliance

We have audited the compliance of Marjaree Mason Center, Inc., a non-profit Organization (the "Organization"), with the types of compliance requirements described in *U.S. Office of Management and Budget ("OMB") Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended September 30, 2012. The Organization's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Organization's compliance with those requirements.

In our opinion, except for finding 2012-1, the Organization complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2012.

Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance 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, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of Board of Directors, management, Federal and State awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Morse Witter Sampson, LLP

January 8, 2013
Fresno, California

MARJAREE MASON CENTER, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2012

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes X No

Significant deficiency(s) identified that are not considered to be material weaknesses? Yes X No

Noncompliance material to financial statements noted? Yes X No

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? Yes X No

Significant deficiency(s) identified that are not considered to be material weaknesses? Yes X No

Type of auditor's report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? X Yes No

Identification of major programs:

Department of Housing & Urban Development - 14.235

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as "low-risk auditee"? X Yes No

MARJAREE MASON CENTER, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS

TYPES OF FINDINGS:

There were no reportable findings related to financial statement reporting for the fiscal year ended September 30, 2012.

MARJAREE MASON CENTER, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2012

SECTION III - FEDERAL AWARD FINDINGS & QUESTIONED COSTS

TYPES OF FINDINGS:

2012-1 - Rent Calculation Spreadsheets

Finding: There were two instances in which the required "Resident Rent Calculation Worksheet" was not located in a participant's file.

Criteria: A "Resident Rent Calculation Worksheet" should be completed for all participant's within 60 days of admission.

Effect: There is a risk that participants may have over/under paid monthly rent as there is no evidence of approved monthly rent.

Recommendation: We recommend that a "Resident Rent Calculation Worksheet" be completed for all participant's within 60 days of admission.

Corrective Action Plan/Response: Management agrees with the recommendation and is in the process of developing a procedure to ensure that a "Resident Rent Calculation Worksheet" is completed for all participants within 60 days of admission.

MARJAREE MASON CENTER, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2012

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no reportable audit findings in the prior fiscal year ended September 30, 2011.



**MORSE WITTWER
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Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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To the Board of Directors
Marjaree Mason Center, Inc.
Fresno, California

We have audited the basic financial statements of Marjaree Mason Center, Inc., a non-profit corporation, as of and for the year ended September 30, 2012, and have issued our report thereon dated January 8, 2013.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Marjaree Mason Center, Inc. taken as a whole. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic 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 is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

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January 8, 2013
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MARJAREE MASON CENTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2012

Pass-through Grantor/Federal Grantor/Program Title	Federal CFDA #	Award Number	Program or Award Amount	Total Costs Expended
Department of Housing and Urban Development				
HUD Reedley- Supportive Housing	14.235	CA0768B9T141103	\$ 287,840	\$ 47,526
HUD Reedley- Supportive Housing	14.235	CA0768B9T141002	287,840	242,214
Homeward Bound- Supportive Housing	14.235	CA0765B9T141103	65,482	42,675
Homeward Bound- Supportive Housing	14.235	CA0765B9T141002	65,482	33,251
Project Next Step- Supportive Housing	14.235	CA0767B9T141002	216,173	75,192
Project Next Step- Supportive Housing	14.235	CA0767B9T140901	108,086	17,301
Downtown Transition- Supportive Housing	14.235	CA0842B9T140900	440,162	235,628
Federal Emergency Management Agency				
Emergency Food and Shelter Program - Phase 30	97.024	046400-003	12,970	-
Emergency Food and Shelter Program - Phase 29	97.024	046400-003	12,970	5,484
California Emergency Management Agency **				
Domestic Violence Assistance Program (VOCA)	16.575	DV12261257	205,569	46,904
Domestic Violence Assistance Program (VOCA)	16.575	DV11251257	205,569	163,877
United States Department of Justice				
Rural Access Grant	16.588	2007-WR-AX-0074	546,335	34,816
Legal Assistance to Victims Grant	16.524	2010-WL-AX-0025	404,000	202,977
Pass-through from Department of Housing and Urban Development				
City of Fresno- ESG	14.231	No Award Number	91,772	68,102
City of Fresno- HPRP	14.262	HPRP-003	274,000	96,031
County of Fresno- CDBG	14.218	A-12-342	38,995	7,276
County of Fresno- CDBG	14.218	A-10-296	62,544	46,392
County of Fresno- HPRP	14.262	A-09-511	72,981	22,770
Grand Total				\$ 1,388,417

MARJAREE MASON CENTER, INC.

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2012**

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, are included in the schedule.

Note 2 – Relationship to Federal Financial Reports

Information included in the accompanying Schedule of Federal Awards is in substantial agreement with the information reported in the related financial reports for major programs.



**MORSE WITTWER
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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

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To the Board of Directors
Marjaree Mason Center, Inc.
Fresno, California

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We have audited the financial statements of Marjaree Mason Center, Inc., a non-profit corporation, as of and for the year ended September 30, 2012, and have issued our report thereon dated January 8, 2013, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The following supplementary information 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.

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January 8, 2013

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MARJAREE MASON CENTER, INC.

COMBINING SCHEDULE OF REVENUE, SUPPORT, AND EXPENSES

For the Year Ended September 30, 2012

(With Summarized Financial Information for the Year Ended September 30, 2011)

	City/County CDBG	City ESG	City/County HPRP	Fresno Police Department	Housing and Urban Development
Revenues, Gains and Other Support					
Grants and contracts	\$ 53,668	\$ 68,102	\$ 118,802	\$ 96,890	\$ 693,787
Contributions	-	-	-	-	-
Donated services and supplies	-	-	-	-	-
Special events	-	-	-	-	-
Program fees	-	-	-	-	-
Legacies and bequests	-	-	-	-	-
Gain (loss) in fair value of assets	-	-	-	-	-
Interest income	-	-	-	-	-
Gain (loss) on sale of assets	-	-	-	-	-
Total revenues, gains and other support	<u>53,668</u>	<u>68,102</u>	<u>118,802</u>	<u>96,890</u>	<u>693,787</u>
Expenses					
Accounting and legal	250	-	-	-	3,500
Advertising	-	-	-	-	-
Bad debt expense	-	-	-	-	-
Bank charges	-	-	-	-	-
Computer services	-	1,975	-	-	5,106
Conferences, conventions, and meetings	-	-	484	300	138
Depreciation	-	-	-	-	-
Donated services and supplies	-	-	-	-	-
Dues and subscriptions	-	-	-	-	168
Employee benefits	11,833	-	9,102	17,488	136,608
Equipment rental, repairs and maintenance	1,143	26,886	-	-	43,536
Food	233	-	-	-	1,856
Insurance	250	12,508	-	1,231	3,256
Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Office expense	220	-	222	32	1,021
Printing	-	-	-	-	43
Professional fees	-	-	284	-	-
Program supplies	-	-	79,691	-	1,869
Rent	-	-	-	-	43
Salaries	39,000	-	29,019	83,294	459,753
Security	-	1,535	-	-	911
Taxes and licenses	-	-	-	-	58
Utilities	739	25,198	-	-	35,926
Total expenses	<u>53,668</u>	<u>68,102</u>	<u>118,802</u>	<u>102,345</u>	<u>693,792</u>
Increase in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,455)</u>	<u>\$ (5.00)</u>

See Independent Auditor's Report on the Supplementary Information.

MARJAREE MASON CENTER, INC.

COMBINING SCHEDULE OF REVENUE, SUPPORT, AND EXPENSES

For the Year Ended September 30, 2012

(With Summarized Financial Information for the Year Ended September 30, 2011)

	Department of Justice	Marriage License Fees	California Emergency Management Agency	County CAPIT	First 5 of Fresno County
Revenues, Gains and Other Support					
Grants and contracts	\$ 237,793	\$ -	\$ 428,532	\$ 110,036	\$ 346,701
Contributions	-	136,551	-	-	-
Donated services and supplies	-	-	-	-	-
Special events	-	-	-	-	-
Program fees	-	-	-	-	-
Legacies and bequests	-	-	-	-	-
Gain (loss) in fair value of assets	-	-	-	-	-
Interest income	-	-	-	-	-
Gain (loss) on sale of assets	-	-	-	-	-
Total revenues, gains and other support	237,793	136,551	428,532	110,036	346,701
Expenses					
Accounting and legal	4,200	2,786	5,500	-	1,500
Advertising	-	-	-	-	-
Bad debt expense	-	-	-	-	-
Bank charges	-	-	-	-	-
Computer services	-	3,100	8,740	-	614
Conferences, conventions, and meetings	4,973	1,482	536	3,054	-
Depreciation	-	-	-	-	-
Donated services and supplies	-	-	-	-	-
Dues and subscriptions	4,289	638	-	-	150
Employee benefits	26,112	14,111	74,621	18,279	71,616
Equipment rental, repairs and maintenance	1,857	10,140	50,526	2,779	8,890
Food	-	2,547	9,877	-	3,786
Insurance	4,467	8,935	854	1,102	2,568
Interest	-	-	-	-	-
Miscellaneous	-	544	-	-	-
Office expense	1,001	3,813	3,350	498	2,038
Printing	123	2,902	421	168	199
Professional fees	57,335	8,338	270	-	500
Program supplies	16	5,512	7,153	74	5,433
Rent	2,250	76	-	-	-
Salaries	129,931	42,250	244,799	81,218	236,349
Security	-	555	140	-	140
Taxes and licenses	-	333	-	-	-
Utilities	1,239	5,094	21,745	2,864	12,918
Total expenses	237,793	113,156	428,532	110,036	346,701
Increase in Net Assets	\$ -	\$ 23,395	\$ -	\$ -	\$ -

See Independent Auditor's Report on the Supplementary Information.

MARJAREE MASON CENTER, INC.

COMBINING SCHEDULE OF REVENUE, SUPPORT, AND EXPENSES

For the Year Ended September 30, 2012

(With Summarized Financial Information for the Year Ended September 30, 2011)

	Contributions, Program Fees & Other	Total	
		2012	2011
Revenues, Gains and Other Support			
Grants and contracts	\$ 116,559	\$ 2,270,870	\$ 2,085,801
Contributions	806,052	942,603	570,897
Donated services and supplies	192,986	192,986	225,399
Special events	79,589	79,589	61,683
Program fees	244,220	244,220	281,516
Legacies and bequests	16,628	16,628	49,200
Earned loan forgiveness	-	-	515,000
Gain (loss) in fair value of assets	77,554	77,554	9,835
Interest income	2,090	2,090	2,363
Gain (loss) on sale of assets	(302)	(302)	-
Total revenues, gains and other support	1,535,376	3,826,238	3,801,694
Expenses			
Accounting and legal	-	17,736	18,300
Advertising	1,800	1,800	2,128
Bad debt expense	7,032	7,032	4,167
Bank charges	197	197	220
Computer Services	1,557	21,092	21,148
Conferences, conventions, and meetings	60,306	71,273	68,694
Depreciation	157,355	157,355	158,123
Donated services and supplies	192,986	192,986	225,399
Dues and subscriptions	5,047	10,292	6,585
Employee benefits	116,263	496,033	384,787
Equipment rental, repairs and maintenance	50,637	196,394	348,757
Food	6,750	25,049	28,396
Insurance	1,170	36,341	34,560
Interest	-	-	14,950
Miscellaneous	4,563	5,107	842
Office expense	16,133	28,328	39,045
Printing	18,435	22,291	33,546
Professional fees	39,792	106,519	121,331
Program supplies	19,260	119,008	117,950
Rent	45,882	48,251	56,510
Salaries	502,370	1,847,983	1,581,393
Security	164	3,445	3,900
Taxes and licenses	175	566	175
Utilities	15,667	121,390	120,329
Total expenses	1,263,541	3,536,468	3,391,235
Increase in Net Assets	\$ 271,835	\$ 289,770	\$ 410,459