

DOMESTIC ABUSE INTERVENTION SERVICES, INC.

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2012 and 2011

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Domestic Abuse Intervention Services, Inc.
Madison, Wisconsin

We have audited the accompanying consolidated financial statements of Domestic Abuse Intervention Services, Inc., which comprise the consolidated statements of financial position as of December 31, 2012 and 2011, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Domestic Abuse Intervention Services, Inc. as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on pages 15-16 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position,

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results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Wegner CPAs, LLP

Wegner CPAs, LLP
Madison, Wisconsin
April 22, 2013

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2012 and 2011

	2012	2011
ASSETS		
CURRENT ASSETS		
Cash	\$ 229,825	\$ 195,130
Accounts receivable	99,599	67,332
Investments	54,975	4,116
Prepaid expenses	19,684	21,227
Total current assets	404,083	287,805
Property and equipment - net	1,402,373	926,761
OTHER ASSETS		
Cash restricted for campaign	987,937	95,905
Unconditional promise to give restricted for campaign	674,941	527,146
Total other assets	1,662,878	623,051
Total assets	\$ 3,469,334	\$ 1,837,617
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 49,023	\$ 50,540
Accrued expenses	92,089	70,651
Deferred revenue	-	1,200
Total current liabilities	141,112	122,391
LONG-TERM LIABILITIES		
Note payable	344,466	350,000
Total liabilities	485,578	472,391
NET ASSETS		
Undesignated	497,853	146,389
Designated for capital campaign	83,219	95,905
Designated for property and equipment fund	1,057,907	576,761
Total unrestricted net assets	1,638,979	819,055
Temporarily restricted	1,344,777	546,171
Total net assets	2,983,756	1,365,226
Total liabilities and net assets	\$ 3,469,334	\$ 1,837,617

See accompanying notes.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
STATEMENTS OF ACTIVITIES
Years ended December 31, 2012 and 2011

	2012	2011
UNRESTRICTED NET ASSETS		
SUPPORT AND REVENUE		
Grants	\$ 1,124,613	\$ 752,694
United Way of Dane County	217,083	210,247
Other contributions and events	1,212,452	970,584
Investment return	995	(625)
Other income	-	10,012
Total unrestricted support and revenue	2,555,143	1,942,912
EXPENSES		
Program services		
Shelter and support	528,591	423,923
Children services	156,042	180,970
Legal services	130,954	141,175
Crisis intervention	182,781	184,987
Outreach and education	241,579	43,457
DELTA	46,963	49,233
Total program services	1,286,910	1,023,745
Supporting activities		
Administrative	100,233	120,612
Development	137,047	132,899
Capital campaign	307,351	299,160
Total supporting activities	544,631	552,671
Total expenses	1,831,541	1,576,416
Net assets released from restrictions	96,322	22,151
Change in unrestricted net assets	819,924	388,647
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	894,928	531,140
Net assets released from restrictions	(96,322)	(22,151)
Change in temporarily restricted net assets	798,606	508,989
Change in net assets	1,618,530	897,636
Net assets - beginning of year	1,365,226	467,590
Net assets - end of year	\$ 2,983,756	\$ 1,365,226

See accompanying notes.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years ended December 31, 2012 and 2011

	Personnel	Operating Costs	Space Costs	Special Costs	Total
Program services					
Shelter and support	\$ 303,416	\$ 61,017	\$ 96,038	\$ 68,120	\$ 528,591
Children services	147,320	6,261	2,461	-	156,042
Legal services	121,174	7,560	955	1,265	130,954
Crisis intervention	161,372	14,055	4,194	3,160	182,781
Outreach and education	57,569	183,615	395	-	241,579
DELTA	42,547	4,102	314	-	46,963
Total program services	833,398	276,610	104,357	72,545	1,286,910
Supporting activities					
Administrative	57,820	34,529	7,884	-	100,233
Development	86,312	50,147	588	-	137,047
Capital campaign	221,589	52,649	33,113	-	307,351
Total supporting activities	365,721	137,325	41,585	-	544,631
2012 Total expenses	<u>\$ 1,199,119</u>	<u>\$ 413,935</u>	<u>\$ 145,942</u>	<u>\$ 72,545</u>	<u>\$ 1,831,541</u>
	Personnel	Operating Costs	Space Costs	Special Costs	Total
Program services					
Shelter and support	\$ 243,484	\$ 49,403	\$ 70,609	\$ 60,427	\$ 423,923
Children services	169,811	6,384	4,775	-	180,970
Legal services	128,435	10,096	1,211	1,433	141,175
Crisis intervention	161,313	14,529	4,334	4,811	184,987
Outreach and education	38,507	4,950	-	-	43,457
DELTA	44,997	3,847	389	-	49,233
Total program services	786,547	89,209	81,318	66,671	1,023,745
Supporting activities					
Administrative	69,361	42,828	8,423	-	120,612
Development	54,658	78,179	62	-	132,899
Capital campaign	214,194	60,975	23,991	-	299,160
Total supporting activities	338,213	181,982	32,476	-	552,671
2011 Total expenses	<u>\$ 1,124,760</u>	<u>\$ 271,191</u>	<u>\$ 113,794</u>	<u>\$ 66,671</u>	<u>\$ 1,576,416</u>

See accompanying notes.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
STATEMENTS OF CASH FLOWS
Years ended December 31, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,618,530	\$ 897,636
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Contributions restricted for campaign	(883,000)	(761,804)
Amortization of discount for Unconditional promises to give restricted for campaign	3,000	13,000
Depreciation	13,382	18,790
Donated facility costs	-	(1,370)
Donated stock	(50,567)	(18,645)
Net realized and unrealized (gain) loss on investments	(292)	989
(Increase) decrease in assets		
Unconditional promises to give	-	1,235
Accounts receivable	(32,267)	4,739
Prepaid expenses	1,543	(7,898)
Increase (decrease) in liabilities		
Accounts payable	(1,517)	14,409
Accrued expenses	21,438	42,212
Deferred revenue	(1,200)	(300)
Net cash flows from operating activities	689,050	202,993
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of donated stock	-	17,853
Net change in cash restricted for campaign	(892,032)	(93,402)
Purchases of property and equipment	(488,994)	(767,978)
Net cash flows from investing activities	(1,381,026)	(843,527)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from contributions restricted for campaign	732,205	222,658
Proceeds from note payable	-	350,000
Principal payments on long-term debt	(5,534)	-
Payment of AP - construction in progress	-	(10,724)
Net cash cash flows from financing activities	726,671	561,934
Change in cash	34,695	(78,600)
Cash - beginning of year	195,130	273,730
Cash - end of year	<u>\$ 229,825</u>	<u>\$ 195,130</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	\$ 22,127	\$ 5,250
Noncash investing and financing activities		
Donated stock	50,567	18,645
Donated facility costs	-	1,370

See accompanying notes.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

Domestic Abuse Intervention Services, Inc. (DAIS) is a nonprofit corporation located in Madison, Wisconsin, which offers help to domestic violence survivors and their families by providing shelter, counseling services, support groups, and enrichment programs. DAIS' primary support and revenue is provided by contracts and grants with Dane County Department of Human Services, City of Madison Office of Community Services, Wisconsin Department of Health Services, and contributions from United Way of Dane County and the general public.

DAIS LLC is a sole-member LLC formed by DAIS in July 2011 to own property acquired as a future location for shelter and other direct service programs for victims of domestic violence, as well as office space for administration and development located in Madison, Wisconsin.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Basis of Consolidation

The consolidated financial statements include the accounts of DAIS and its wholly owned subsidiary, DAIS LLC. All material intra-entity accounts and transactions have been eliminated.

Basis of Presentation

DAIS is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets—Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

Temporarily restricted net assets—Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions.

Permanently restricted net assets—Net assets that have been restricted by donors to be maintained by DAIS in perpetuity.

Accounts Receivable

DAIS considers all accounts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts is presented. If amounts become uncollectible, they will be charged to operations when that determination is made.

Promises to Give

Unconditional promises to give are recognized as support 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.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenses for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Government Grants

Some of DAIS' programs are funded by contracts and grant agreements with various government agencies. Revenue for the agreements is based upon the actual cost of providing such services up to the maximum amount specified. Costs allocated to these programs are in accordance with established procedures and are subject to audit by the government agency contracted to fund such programs. No determination has been made regarding the effect, if any, such audits could have on the financial statements.

Contributions

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is 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 and reported in the statements of activities as net assets released from restrictions.

Donated Services

No amounts have been reflected in the financial statements for donated services because they did not meet the criteria for recognition. Management records indicate that volunteers helping in the programs donated 9,932 and 6,482 hours to DAIS in 2012 and 2011.

Expense Allocation

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

The program services included in the accompanying financial statements are as follows:

Shelter and Support – DAIS operates the only domestic violence shelter in Dane County. The 25 bed, emergency shelter is for women and their children who have immediate safety risks due to domestic violence. Hotel vouchers may be provided when the shelter is at capacity or when there is a male client seeking shelter. These hotel vouchers are supported with monies from the City of Madison CDBG office and Dane County Human Services office.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

Shelter screenings are available 24/7 through the DAIS Help/Crisis Line and on-call system. While in shelter, residents are provided with food, emergency clothing, bedding, toiletries, and assistance with transportation if needed. The shelter is staffed 24/7. Family Advocates (case managers) work with clients to identify their goals for services, safety plan, and assist them in accessing community resources. These Family Advocates each have an area of expertise in housing advocacy, and children and youth issues. Besides increasing safety, goals often include securing new housing, including furnishings and supplies, school relocation, and working toward economic stabilization. Residents also may use their time in shelter and resources to increase their understanding of the dynamics of domestic violence and identify the impact of trauma on their lives and the lives of their children. In 2012, 535 unduplicated people were served. There were 8,249 nights in 2012 when families were waitlisted for shelter due to the shelter being full and hotel voucher money being expended for the year. In 2011, 482 unduplicated people were served. There were 5,927 nights in 2011 when families were waitlisted for shelter due to the shelter being full and hotel voucher money being expended for the year.

Children Services – The DAIS Children's Program offers programming for children residing in our shelter or for children from the community whose parents are attending the drop-in support group. The purpose of this programming is to provide children from violent homes with: physical and emotional safety, structure and consistency, opportunities to process their feelings through play and creative activities, and experience with positive discipline. Programming includes recreational groups, as well as educational and support groups. Most of our Children's Advocates are volunteers or interns and are supervised by a full time Children's Services Coordinator. Additionally, we make a concerted effort to recruit men to work in this program to offer children an opportunity to connect with healthy and safe adult male role models. In 2012, DAIS served 281 children. Of those served, 213 participated in children's programming. In 2011, DAIS served 332 children. Of those served, 206 participated in children's programming.

Legal Services – The DAIS Legal Advocacy Program offers safety planning, support, information, and resources to victims of domestic violence in the areas of family law, civil restraining orders, criminal law, immigration law, child abuse, and others. Legal advocates are not lawyers and do not provide legal advice. The work of the DAIS Legal Advocates may include assisting clients in filing for restraining orders, developing safety plans with clients, preparing clients for injunction hearings, providing support to clients during hearings, and advocating on behalf of clients within the criminal, civil and family court systems or with law enforcement and other service providers. In 2012, the DAIS Legal Advocates served 550 unduplicated adults and fielded 1,766 calls from clients and community partners. In 2011, the DAIS Legal Advocates served 545 unduplicated adults and fielded 1,246 calls from clients and community partners.

DELTA Project – is a community-based, collaborative primary prevention project that seeks to eradicate domestic violence and sexual assault through social change and community building. DAIS is the lead partner on this innovative project working with young men on primary prevention of intimate partner violence through the examination of gender role expectations. The DELTA Project Coordinator is a DAIS employee and is the primary hub of this project. However, the project brings together a myriad of community partners including the Madison Metropolitan School District, Youth Services of Southern Wisconsin - Briarpatch, the Goodman Atwood Community Center, UW-Madison, as well as others, to provide opportunities for young men to connect with one another to examine root causes of dating violence and sexual assault.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

Crisis Intervention – The DAIS Help/Crisis Line is the point of first contact for all DAIS services. The Help/Crisis Line provides crisis intervention, safety planning, support, information and referrals to victims and survivors of domestic violence and is available 24 hours a day, 7 days a week. The goal of the Help/Crisis Line is to help victims increase their safety and decrease their isolation. The Help/Crisis Line is staffed by a combination of trained volunteers, paid staff, and work-study students. In 2012, the DAIS Help/Crisis Line fielded 7,471 calls. In 2011, the DAIS Help/Crisis Line fielded 5,576 calls. DAIS provides a wide array of supportive services to victims of abuse throughout Dane County. Programs include: 1) *Crisis Response* – The Crisis Response Program offers face-to-face support and advocacy services for victims of domestic violence. Clients may set up a Crisis Response appointment through the Help/Crisis Line. Crisis Response Advocates meet with clients at safe, confidential partnership sites across Dane County. These sites may include hospitals, clinics, libraries, or other human services organizations. There are sites located both within Madison and in rural communities in Dane County to increase accessibility of services to victims living in rural areas. Crisis Response Advocates assist victims with safety planning, information about restraining orders, access to direct aid funds for lock changes or relocation, referrals to on-going services with other organizations, and emotional support. In 2012, the Crisis Response Program served 242 unduplicated adults, compared with 345 people in 2011. 2) *Support Group* – DAIS offers a drop-in support group for women from the community. The one drop-in support group served 141 unduplicated community women in 2012.

Outreach and Education – DAIS' advocates and volunteers do presentations in response to requests from community organizations. These presentation requests can come from a variety of entities, but often stem from faith-based organizations, educational institutions or health care providers. The DAIS Community Awareness and Prevention Education (CAPE) Program seeks to educate the broader community about the dynamics of domestic violence and the services offered by DAIS. CAPE works to enhance the community's support of domestic violence victims and their children, and strengthens the community's commitment to eliminating domestic violence by supporting the vital services offered by DAIS. In 2012, DAIS did 204 presentations, reaching a total 5,395 people and in 2011 performed 230 presentations reaching 4,078 people.

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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Tax Status

DAIS is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, DAIS qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). DAIS LLC is treated as a disregarded entity for federal income tax purposes and its activities are included on DAIS' federal tax exempt organization returns. DAIS' federal exempt organization returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed. With few exceptions, DAIS is no longer subject to such examinations for tax years before 2009.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (continued)

Date of Management's Review

Management has evaluated subsequent events through April 22, 2013, the date which the financial statements were available to be issued.

NOTE 2 – ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2012 and 2011 consisted of the following:

	2012	2011
Wisconsin Coalition Against Domestic Violence	\$ 13,738	\$ 15,701
Wisconsin Department of Justice	19,759	19,759
City of Madison Office of Community Services	12,446	12,441
Wisconsin Department of Public Instruction	1,867	706
City of Madison CDBG	-	723
Dane County Department of Human Services	32,517	-
Wisconsin Department of Children and Families	13,572	13,570
Federal Emergency Management Agency	5,700	-
Madison Police Department - JAG	-	4,432
	\$ 99,599	\$ 67,332

NOTE 3 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give restricted for the capital campaign at December 31, 2012 consisted of the following:

	2012	2011
Receivable in less than one year	\$ 352,909	\$ 309,154
Receivable in one to five years	338,032	230,992
Unconditional promises to give	690,941	540,146
Less discount to net present value	16,000	13,000
Unconditional promises to give - net	\$ 674,941	\$ 527,146

Unconditional promises to give receivable in more than one year are discounted at 2.5%

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2012 and 2011 consisted of the following:

	<u>2012</u>	<u>2011</u>
Land	\$ 188,808	\$ 188,808
Buildings and improvements	517,036	517,036
Furniture and equipment	48,050	25,414
Construction in progress	<u>1,124,418</u>	<u>671,442</u>
Property and equipment	1,878,312	1,402,700
Less accumulated depreciation	<u>475,939</u>	<u>475,939</u>
Property and equipment - net	<u>\$ 1,402,373</u>	<u>\$ 926,761</u>

NOTE 5 – INVESTMENTS

Investments at December 31, 2012 and 2011 consist of shares of common stock of publicly traded corporations.

Investment return for 2012 and 2011 consisted of the following:

	<u>2012</u>	<u>2011</u>
Interest	\$ 704	\$ 364
Net realized and unrealized gain (loss)	<u>291</u>	<u>(989)</u>
Investment return	<u>\$ 995</u>	<u>\$ (625)</u>

NOTE 6 – FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2012 and 2011 are as follows:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets For Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Common stock - 2012	<u>\$ 54,975</u>	<u>\$ 54,975</u>	<u>\$ -</u>	<u>\$ -</u>
Common stock - 2011	<u>\$ 4,116</u>	<u>\$ 4,116</u>	<u>\$ -</u>	<u>\$ -</u>

Fair values for common stocks are determined by reference to quoted market prices and other relevant information generated by market transactions.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 7 – LINE OF CREDIT

DAIS has a \$200,000 line of credit (LOC), which was unused at December 31, 2012 and 2011. The LOC provides for borrowing at the prime interest rate plus .5% (floor of 5.5%), with any outstanding principal payable due at September 15, 2013. Interest is payable monthly on the outstanding principal. The LOC is secured by a general business security agreement, selective business security agreement, and real estate mortgage.

NOTE 8 – NOTE PAYABLE

In September 2011, DAIS, LLC entered into a \$350,000 mortgage contract with Forward Community Investments, Inc. The contract states an annual interest rate of 6% and requires quarterly interest payments of \$5,250. The note was paid off in January 2013.

NOTE 9 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	2012	2011
Restricted for time:		
Capital campaign	\$ 668,941	\$ 527,146
Restricted for purpose:		
Capital campaign	641,061	-
Building security	1,814	-
Crisis intervention	6,272	-
Shelter and support	595	3,523
Outreach and education program	3,842	3,500
DELTA leadership program	20,927	10,191
DCBA - Legal Satellite Office	930	930
FFW - Support Group Funding	395	680
Children's programs	-	201
	675,836	19,025
Total purpose restrictions	675,836	19,025
Temporarily restricted net assets	\$ 1,344,777	\$ 546,171

NOTE 10 – LEASES

DAIS leases a copier that requires monthly payments of \$340 and expires in September 2013. Lease expense for 2012 and 2011 was \$4,080 and \$4,080. Future minimum lease payments are \$3,060 for 2013. DAIS entered into a new lease agreement to lease office space in Madison, Wisconsin effective September 1, 2012. Monthly lease payments are \$850 until August 31, 2014. The lease also requires a security deposit of \$850. Future minimum lease payments are \$10,200 and \$6,800 for 2013 and 2014. Lease expense was \$3,400 for 2012.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE 11 – GRANTS

Grants for 2012 and 2011 consisted of the following:

	2012	2011
Dane County Department of Human Services	\$ 229,741	\$ 214,541
Dane County CDBG	372,039	-
Wisconsin Department of Children and Families	162,893	162,893
City of Madison Office of Community Services	179,157	149,287
Wisconsin Department of Justice	69,717	78,963
Wisconsin Coalition Against Domestic Violence	45,085	45,068
City of Madison CDBG	-	29,870
Wisconsin Department of Public Instruction	-	8,946
Madison Police Department - JAG	-	32,423
U.S. Department of Homeland Security	-	3,500
Others	65,981	27,203
	\$ 1,124,613	\$ 752,694
Grants		

NOTE 12 – CAPITAL CAMPAIGN

DAIS capital campaign initiative is aimed at relocating operations for all its direct service programs, as well as administrative and development offices. As part of the expansion of programs, DAIS will be able to significantly increase its capacity to serve clients needing immediate shelter. In 2011 an existing building was purchased in connection with the capital campaign, and costs are estimated to be \$5,500,000, as extensive renovations are planned. The building and land have been recorded appropriately as land and construction in progress in the underlying property and equipment accounts on the statements of financial position

In March 2012, DAIS signed a contract with Ideal Builders, Inc. for the construction at the new facility at a total cost of \$4,969,108.

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
December 31, 2012

	DAIS	DAIS LLC	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash	\$ 207,761	\$ 22,064	\$ -	\$ 229,825
Accounts receivable	99,599	-	-	99,599
Investment in LLC	843,572	-	(843,572)	-
Investments	54,975	-	-	54,975
Prepaid expenses	19,684	-	-	19,684
Total current assets	1,225,591	22,064	(843,572)	404,083
Property and equipment - net	295,280	1,107,093	-	1,402,373
OTHER ASSETS				
Cash restricted for campaign	987,937	-	-	987,937
Unconditional promise to give restricted for campaign	674,941	-	-	674,941
Total other assets	1,662,878	-	-	1,662,878
Total assets	\$ 3,183,749	\$ 1,129,157	\$ (843,572)	\$ 3,469,334
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 37,552	\$ 11,471	\$ -	\$ 49,023
Accrued expenses	92,089	-	-	92,089
Deferred revenue	-	-	-	-
Total current liabilities	129,641	11,471	-	141,112
LONG-TERM LIABILITIES				
Note payable	-	344,466	-	344,466
Total liabilities	129,641	355,937	-	485,578
NET ASSETS				
Undesignated	1,330,833	(832,980)	-	1,638,979
Designated for capital campaign	83,219	-	-	-
Designated for property and equipment fund	295,280	762,627	-	-
Total unrestricted net assets	1,709,332	(70,353)	-	1,638,979
Temporarily restricted	1,344,777	-	-	1,344,777
Total net assets	3,054,109	(70,353)	-	2,983,756
Total liabilities and net assets	\$ 3,183,750	\$ 285,584	\$ -	\$ 3,469,334

DOMESTIC ABUSE INTERVENTION SERVICES, INC.
CONSOLIDATING SCHEDULE OF ACTIVITIES
Year ended December 31, 2012

	<u>DAIS</u>	<u>DAIS LLC</u>	<u>Eliminations</u>	<u>Total</u>
UNRESTRICTED NET ASSETS				
SUPPORT AND REVENUE				
Grants	\$ 1,124,613	\$ -	\$ -	\$ 1,124,613
United Way of Dane County	217,083	-	-	217,083
Other contributions and events	1,212,452	-	-	1,212,452
Investment return	(46,948)	-	47,943	995
Other income	-	-	-	-
Total unrestricted support and revenue	2,507,200	-	47,943	2,555,143
EXPENSES				
Program services				
Shelter and support	480,871	47,720	-	528,591
Children services	156,042	-	-	156,042
Legal services	130,954	-	-	130,954
Crisis intervention	182,781	-	-	182,781
Outreach and education	241,579	-	-	241,579
DELTA	46,963	-	-	46,963
Total program services	1,239,190	47,720	-	1,286,910
Supporting activities				
Administrative	100,010	223	-	100,233
Development	137,047	-	-	137,047
Capital campaign	307,351	-	-	307,351
Total supporting activities	544,408	223	-	544,631
Total expenses	1,783,598	47,943	-	1,831,541
Net assets released from restrictions	96,322	-	-	96,322
Change in unrestricted net assets	819,924	(47,943)	47,943	819,924
TEMPORARILY RESTRICTED NET ASSETS				
Contributions	894,928	-	-	894,928
Net assets released from restrictions	(96,322)	-	-	(96,322)
Change in temporarily restricted net assets	798,606	-	-	798,606
Change in net assets	1,618,530	(47,943)	47,943	1,618,530
Net assets - beginning of year	1,365,226	(22,410)	22,410	1,365,226
Net assets - end of year	\$ 2,983,756	\$ (70,353)	\$ 70,353	\$ 2,983,756