

**NATIONAL ADVOCATES FOR  
PREGNANT WOMEN  
FINANCIAL STATEMENTS AND  
AUDITOR'S REPORT  
DECEMBER 31, 2013**



Adeptus Partners, LLC  
Accountants | Advisors  
6 East 45th Street  
New York, NY 10017  
Phone: 212.758.8050  
Fax: 212.826.5037  
www.AdeptusCPAs.com

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of  
National Advocates for Pregnant Women

We have audited the accompanying financial statements of National Advocates for Pregnant Woman (a nonprofit organization) which comprise the statement of financial position as of December 31, 2013 and 2012 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of National Advocates for Pregnant Women as of December 31, 2013 and 2012 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.

*ADEPTUS PARTNERS, LLC*

New York, NY  
May 8, 2014

**NATIONAL ADVOCATES FOR PREGNANT WOMEN**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2013 AND 2012**

	2013	2012
<b>ASSETS</b>		
Cash	\$ 901,946	\$ 450,610
Grants receivable	10,000	50,000
Accounts receivable	20,400	18,358
Prepaid expenses and other assets	9,530	8,713
Fixed assets, net of accumulated depreciation	26,302	46,795
Security deposit	14,640	14,640
	<u>982,818</u>	<u>589,116</u>
Total assets	<u>\$ 982,818</u>	<u>\$ 589,116</u>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable	\$ 5,513	\$ 6,934
Accrued payroll and related liabilities	13,487	10,931
	<u>19,000</u>	<u>17,865</u>
Total liabilities	<u>19,000</u>	<u>17,865</u>
Net assets		
Unrestricted	350,301	43,497
Temporarily restricted	613,517	527,754
	<u>963,818</u>	<u>571,251</u>
Total net assets	<u>963,818</u>	<u>571,251</u>
Total liabilities and net assets	<u>\$ 982,818</u>	<u>\$ 589,116</u>

See independent auditors' report and notes to financial statements.

**NATIONAL ADVOCATES FOR PREGNANT WOMEN**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Revenues</b>		
Foundation support	\$ 68,000	\$ 20,000
Contributions	99,015	65,668
Special events revenue and other support	25,047	7,049
Interest income	816	549
Net assets released from restrictions	749,237	653,739
Total revenues	<u>942,115</u>	<u>747,005</u>
 <b>Expenses</b>		
Program services		
Public education	182,378	169,253
Legal/Advocacy	179,953	314,813
Organizing	126,468	79,517
Total program services	<u>488,799</u>	<u>563,583</u>
 Support Services		
General and administrative	112,886	84,741
Fundraising	33,626	26,886
Total support services	<u>146,512</u>	<u>111,627</u>
 Total expenses	<u>635,311</u>	<u>675,210</u>
 Changes in unrestricted net assets	306,804	71,795
 <b>Changes in temporarily restricted net assets</b>		
Foundation support	835,000	799,500
Net assets released from restrictions	(749,237)	(653,739)
Changes in temporarily restricted net assets	<u>85,763</u>	<u>145,761</u>
 Changes in net assets	392,567	217,556
 Net assets - beginning of year	<u>571,251</u>	<u>353,695</u>
 Net assets - end of year	<u>\$ 963,818</u>	<u>\$ 571,251</u>

See independent auditors' report and notes to financial statements.

**NATIONAL ADVOCATES FOR PREGNANT WOMEN  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 392,567	\$ 217,556
Adjustments to reconcile change in net assets to net cash (used by) provided by operating activities:		
Depreciation	20,492	22,304
Changes in operating assets and liabilities		
(Increase) Decrease in grants receivable	40,000	45,000
(Increase) Decrease in accounts receivable	(2,042)	(7,086)
(Increase) Decrease in prepaid expenses	(817)	4,347
Increase (Decrease) in accounts payable	(1,421)	(13,661)
Increase (Decrease) in accrued payroll	2,557	(11,266)
Net cash provided by operating activities	451,336	257,194
Cash flows used by investing activities		
Purchase of equipment	-	(2,397)
Net cash used by investing activities	-	(2,397)
<b>Net increase in cash</b>	451,336	254,797
<b>Cash, beginning of year</b>	450,610	195,813
<b>Cash, end of year</b>	\$ 901,946	\$ 450,610

See independent auditors' report and notes to financial statements

# NATIONAL ADVOCATES FOR PREGNANT WOMEN

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### Nature of Organization

The National Advocates for Pregnant Women (“NAPW”) is a non-profit organization dedicated to securing the human rights and civil rights, health and welfare of pregnant and parenting women, and furthering the interests of the families. NAPW seeks to ensure that women do not lose their constitutional and human rights as a result of pregnancy; that addiction and other health and welfare problems they face during pregnancy are addressed as health issues, not as crimes; that families are not needlessly separated, based on medical misinformation; and that pregnant and parenting women have access to a full range of reproductive health services, as well as non-punitive drug treatment services. NAPW is supported primarily by foundation grants.

### Description of Program Services

**Legal/Advocacy:** NAPW works directly as co-counsel or counsel on numerous cases, and provides legal assistance to defense lawyers, social workers, activists, and people working in the medical and public health fields. NAPW challenges prosecutions, legislation, and ballot measures that limit access to abortion; dehumanize pregnant women; invent separate legal rights for fertilized eggs, embryos, and fetuses; establish grounds for overturning *Roe v. Wade*; expand the war on drugs to women’s wombs; and that create a separate and unequal system of law for pregnant women. NAPW advocates for all pregnant women, focusing especially on those most vulnerable to state control, including low-income women, women of color and drug-using women.

**Public Education:** NAPW uses a variety of traditional and online public education and social marketing strategies to educate the public, policymakers, advocates and activists about myths and misinformation relating to pregnancy, abortion, pregnancy loss, labor, delivery and drug use by pregnant women. NAPW challenges destructive and dehumanizing stereotypes about pregnant women, drug users, and abortion; advocates for evidence-based, humane policies that will ensure the health and human dignity of pregnant women and their families; and identifies the common threads and threats connecting women who have abortions with those seeking to continue their pregnancies to term.

**Organizing:** NAPW organizes at both the local and national levels. NAPW helps to create grassroots women's health advocacy groups, trains women directly affected by punitive policies to become advocates, mobilizes state-based coalitions to action, and sponsors major conferences and continuing education programs that inspire effective advocacy and activism. NAPW also works at the national level to mobilize medical and health experts, organizations, and academics to speak out against punitive and counterproductive policies.

# NATIONAL ADVOCATES FOR PREGNANT WOMEN

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### SUMMARY OF ACCOUNTING POLICIES

#### Basis of Presentation

The Organization follows established standards for external financial reporting by not-for-profit organizations which require that resources be classified for accounting and reporting purposes into three net asset categories according to donor-imposed restrictions. Accounting standards require that unconditional promises to give be recorded as receivables and revenues and require the organization to distinguish between contributions received for each net asset category in accordance with donor imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The three net asset categories are unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets have no donor-imposed restrictions.

Temporarily restricted net assets have donor-imposed restrictions that are satisfied either by the passage of time or expenditures that meet the donor-specified purpose.

Permanently restricted net assets have donor-imposed restrictions that do not expire. As of December 31, 2013, the Organization did not have any permanently restricted net assets.

#### Tax-exempt Status

The organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

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

# NATIONAL ADVOCATES FOR PREGNANT WOMEN

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### **Cash Equivalents**

The organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

### **Concentration of Credit Risk**

The Organization maintains its cash equivalents with one financial institution. However, deposits at this financial institution at times may exceed the Federal Deposit Insurance Corporation (FDIC) insurance limit of \$250,000, however, no losses have ever been experienced by the Organization on its cash equivalents.

### **Expense Allocation**

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

### **Lease Commitment**

NAPW currently leases office space for a seven year and two and a half month period ending January 31, 2015.

The following outlines the minimum lease payments required in future periods:

Year ended December 31, 2014	\$89,943
Beyond year ended December 31, 2014	\$ 7,652

### **Subsequent Events**

For the year ended December 31, 2013, the Organization has evaluated subsequent events for potential recognition or disclosure through May 8, 2014, the date the financial statements were available for issuance.



**NATIONAL ADVOCATES FOR PREGNANT WOMEN**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2013**

**Property and Equipment**

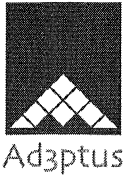
Property and equipment are stated at cost. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. Property and equipment at December 31, 2013 consists of:

Leasehold Improvements	\$107,496
Furniture and Equipment	53,975
Total	<u>161,471</u>
Less: Accumulated Depreciation	<u>135,169</u>
Net Furniture and Equipment	<u><u>\$26,302</u></u>

**Temporarily Restricted Net Assets**

As of December 31, 2013, temporarily restricted net assets consist of the following:

Time restricted general support	\$ 571,017
Irving Harris Foundation	5,000
McDowell & Hartman Foundation	7,500
Ms Foundation: OMA Fund	10,000
New Venture Foundation	<u>20,000</u>
Total	<u><u>\$ 613,517</u></u>



Adeptus Partners, LLC  
Accountants | Advisors  
6 East 45th Street  
New York, NY 10017  
Phone: 212.758.8050  
Fax: 212.826.5037  
www.AdeptusCPAs.com

## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Our December 31, 2013 and 2012 audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of functional expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*ADEPTUS PARTNERS, LLC*

New York, NY  
May 8, 2014

**NATIONAL ADVOCATES FOR PREGNANT WOMEN  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Program Services**

	Public		Legal/ Advocacy	Organizing	TOTAL PROGRAM SERVICES	General and Administrative		Fundraising	TOTAL EXPENSES
	Education					Administrative			
Salaries and related costs	\$ 83,032	\$ 91,880	\$	66,067	\$ 240,979	\$	81,274	\$ 27,876	\$ 350,129
Contractual services	21,119	29,039		2,640	52,798		12,540	660	65,998
Rent	28,748	31,812		22,875	83,435		7,416	1,854	92,705
Telephone	2,052	3,078		1,710	6,840		724	483	8,047
Supplies	2,659	1,861		798	5,318		473	118	5,909
Printing and postage	823	548		457	1,828		118	51	1,997
Travel	23,311	3,951		12,248	39,510		104	295	39,909
Meetings	2,067	807		2,168	5,042		716	38	5,796
Insurance	2,056	2,056		1,762	5,874		933	104	6,911
Miscellaneous	11,132	9,542		11,132	31,806		4,490	1,122	37,418
Depreciation	5,379	5,379		4,611	15,369		4,098	1,025	20,492
Total expenses	\$ 182,378	\$ 179,953	\$	126,468	\$ 488,799	\$	112,886	\$ 33,626	\$ 635,311

See independent auditors' report on supplementary information.

**NATIONAL ADVOCATES FOR PREGNANT WOMEN  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

**Program Services**

	Public		Legal/ Advocacy	Organizing	PROGRAM SERVICES	General and Administrative	Fundraising	TOTAL EXPENSES
	Education							
Salaries and related costs	\$ 100,821	\$ 241,971	\$	60,493	\$ 403,285	\$ 33,607	\$ 11,202	\$ 448,094
Contractual services	10,601	10,601		2,356	23,558	12,564	3,141	39,263
Rent	34,035	34,035		7,563	75,633	4,202	4,202	84,037
Telephone	2,947	2,947		655	6,549	291	437	7,277
Supplies	2,734	1,914		820	5,468	957	410	6,835
Printing and postage	1,344	1,337		141	2,822	586	251	3,659
Travel	2,985	4,976		1,990	9,951	26	498	10,475
Meetings	5,266	4,943		537	10,746	147	1,319	12,212
Insurance	-	-		1,394	1,394	5,578	-	6,972
Miscellaneous	4,952	4,952		-	9,904	19,556	4,622	34,082
Depreciation	3,568	7,137		3,568	14,273	7,227	804	22,304
Total expenses	\$ 169,253	\$ 314,813	\$	79,517	\$ 563,583	\$ 84,741	\$ 26,886	\$ 675,210

See independent auditors' report on supplementary information.