

**NATIONAL CENTER FOR VICTIMS OF CRIME  
FINANCIAL STATEMENTS  
YEARS ENDED SEPTEMBER 30, 2009 AND 2008**

**NATIONAL CENTER FOR VICTIMS OF CRIME  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
National Center for Victims of Crime  
Washington, DC

We have audited the accompanying statements of financial position of National Center for Victims of Crime (the "National Center") as of September 30, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the National Center management. 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 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 audits provide 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 the National Center for Victims of Crime at September 30, 2009 and 2008, and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*LarsonAllen LLP*  
LarsonAllen LLP

Arlington, Virginia  
January 7, 2011

(1)



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**NATIONAL CENTER FOR VICTIMS OF CRIME  
STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2009 AND 2008**

	2009	2008
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 218,808	\$ 43,686
Pledges Receivable	11,272	22,242
Grants and Contracts Receivable	332,087	109,903
Other Receivable	120,605	8,038
Prepaid Expenses	38,474	31,912
Total Current Assets	721,246	215,781
<b>PROPERTY AND EQUIPMENT, NET</b>	5,184	4,256
<b>DEPOSITS</b>	54,309	60,531
Total Assets	\$ 780,739	\$ 280,568
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 479,386	\$ 227,688
Accrued Vacation	75,235	67,782
Line of Credit	200,000	181,000
Deferred Rent	34,353	25,763
Deferred Revenue	219,973	104,320
Total Current Liabilities	1,008,947	606,553
<b>DEFERRED RENT, NET OF CURRENT PORTION</b>	34,729	69,085
Total Liabilities	1,043,676	675,638
<b>NET ASSETS</b>		
Unrestricted (Deficit)	(272,937)	(444,811)
Temporarily Restricted	10,000	49,741
Total Net Assets (Deficit)	(262,937)	(395,070)
Total Liabilities and Net Assets	\$ 780,739	\$ 280,568

See accompanying Notes to Financial Statements.

**NATIONAL CENTER FOR VICTIMS OF CRIME  
STATEMENTS OF ACTIVITIES  
YEARS ENDED SEPTEMBER 30, 2009 AND 2008**

	2009			2008		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>REVENUE AND OTHER SUPPORT</b>						
Federal Grants	\$ 2,248,223	\$ -	\$ 2,248,223	\$ 2,048,143	\$ -	\$ 2,048,143
Contributions and Other Grants	701,166	-	701,166	708,289	39,742	748,031
Special Events	221,075	-	221,075	278,787	-	278,787
Membership Dues	187,616	-	187,616	147,406	-	147,406
Conferences	270,991	-	270,991	250,733	-	250,733
Interest Income	1,269	-	1,269	3,115	-	3,115
Publications	9,905	-	9,905	16,878	-	16,878
Services Revenue	16,718	-	16,718	-	-	-
Net Assets Released from Restrictions:						
Satisfaction of Program Restrictions	39,741	(39,741)	-	41,566	(41,566)	-
Total Revenue and Other Support	<u>3,696,704</u>	<u>(39,741)</u>	<u>3,656,963</u>	<u>3,494,917</u>	<u>(1,824)</u>	<u>3,493,093</u>
<b>EXPENSES</b>						
Program Services:						
Victim Services	420,382	-	420,382	595,647	-	595,647
Training and Technical Assistance	1,343,334	-	1,343,334	908,401	-	908,401
Public Policy	340,706	-	340,706	401,898	-	401,898
Public Education	296,292	-	296,292	291,486	-	291,486
Civil Justice	271,719	-	271,719	282,346	-	282,346
Research	117,668	-	117,668	273,114	-	273,114
Total Program Services	<u>2,790,101</u>	<u>-</u>	<u>2,790,101</u>	<u>2,752,892</u>	<u>-</u>	<u>2,752,892</u>
Supporting Services:						
Management and General	493,335	-	493,335	515,347	-	515,347
Fundraising	241,394	-	241,394	220,206	-	220,206
Total Supporting Services	<u>734,729</u>	<u>-</u>	<u>734,729</u>	<u>735,553</u>	<u>-</u>	<u>735,553</u>
Total Expenses	<u>3,524,830</u>	<u>-</u>	<u>3,524,830</u>	<u>3,488,445</u>	<u>-</u>	<u>3,488,445</u>
<b>CHANGE IN NET ASSETS</b>	171,874	(39,741)	132,133	6,472	(1,824)	4,648
Net Assets (Deficit) - Beginning of Year	<u>(444,811)</u>	<u>49,741</u>	<u>(395,070)</u>	<u>(451,283)</u>	<u>51,565</u>	<u>(399,718)</u>
<b>NET ASSETS (DEFICIT) - END OF YEAR</b>	<u><u>\$ (272,937)</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ (262,937)</u></u>	<u><u>\$ (444,811)</u></u>	<u><u>\$ 49,741</u></u>	<u><u>\$ (395,070)</u></u>

See accompanying Notes to Financial Statements.

**NATIONAL CENTER FOR VICTIMS OF CRIME  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED SEPTEMBER 30, 2009**

	Program Services						Supporting Services				
	Victim Services	Training and Technical Assistance	Public Policy	Public Education	Civil Justice	Research	Total	Management and General	Fundraising	Total	Total
Salaries and Benefits	\$ 308,082	\$ 668,938	\$ 213,760	\$ 208,607	\$ 126,465	\$ 59,720	\$ 1,585,572	\$ 381,931	\$ 121,295	\$ 503,226	\$ 2,088,798
Professional Services	6,670	87,239	37,388	14,827	4,180	14,380	164,684	97,917	11,905	109,822	274,506
Occupancy	58,708	127,472	40,734	39,752	24,099	11,380	302,145	72,780	23,114	95,894	398,039
Printing and Supplies	14,487	69,762	2,559	10,712	49,724	5,491	152,735	35,605	21,305	56,910	209,645
Meetings and Travel	94	306,273	4,445	680	49,805	20,302	381,599	9,989	49,334	59,323	440,922
Depreciation and Amortization	314	683	218	213	129	61	1,618	390	124	514	2,132
Other	1,175	15,978	20,196	611	4,653	354	42,967	65,651	2,170	67,821	110,788
Allocation of Indirect Costs	30,852	66,989	21,406	20,890	12,664	5,980	158,781	(170,928)	12,147	(158,781)	-
<b>Total</b>	<b>\$ 420,382</b>	<b>\$ 1,343,334</b>	<b>\$ 340,706</b>	<b>\$ 296,292</b>	<b>\$ 271,719</b>	<b>\$ 117,668</b>	<b>\$ 2,790,101</b>	<b>\$ 493,335</b>	<b>\$ 241,394</b>	<b>\$ 734,729</b>	<b>\$ 3,524,830</b>

See accompanying Notes to Financial Statements.

**NATIONAL CENTER FOR VICTIMS OF CRIME  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED SEPTEMBER 30, 2008**

	Program Services						Supporting Services				
	Victim Services	Training and Technical Assistance	Public Policy	Public Education	Civil Justice	Research	Total	Management and General	Fundraising	Total	Total
Salaries and Benefits	\$ 425,887	\$ 510,553	\$ 228,176	\$ 192,455	\$ 105,988	\$ 149,607	\$ 1,612,666	\$ 402,485	\$ 121,752	\$ 524,237	\$ 2,136,903
Professional Services	4,813	23,483	84,393	24,019	1,989	18,323	157,020	85,434	8,211	93,645	250,665
Occupancy	85,315	102,275	45,709	38,553	21,232	29,970	323,054	80,627	24,390	105,017	428,071
Printing and Supplies	42,934	40,673	19,138	16,883	77,728	26,906	224,262	28,931	6,861	35,792	260,054
Meetings and Travel	2,589	190,270	5,162	3,861	66,110	36,131	304,123	3,873	46,984	50,857	354,980
Depreciation and Amortization	825	989	442	374	206	290	3,126	780	236	1,016	4,142
Other	-	256	1,045	300	810	195	2,606	48,767	2,257	51,024	53,630
Allocation of Indirect Costs	33,284	39,902	17,833	15,041	8,283	11,692	126,035	(135,550)	9,515	(126,035)	-
<b>Total</b>	<b>\$ 595,647</b>	<b>\$ 908,401</b>	<b>\$ 401,898</b>	<b>\$ 291,486</b>	<b>\$ 282,346</b>	<b>\$ 273,114</b>	<b>\$ 2,752,892</b>	<b>\$ 515,347</b>	<b>\$ 220,206</b>	<b>\$ 735,553</b>	<b>\$ 3,488,445</b>

See accompanying Notes to Financial Statements.

**NATIONAL CENTER FOR VICTIMS OF CRIME  
STATEMENTS OF CASH FLOWS  
YEARS ENDED SEPTEMBER 30, 2009 AND 2008**

	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 132,133	\$ 4,648
Adjustments to Reconcile Changes in Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	2,132	4,142
Changes in Assets and Liabilities:		
Pledges Receivable	10,970	4,513
Grants and Contracts Receivable	(222,184)	(77,374)
Other Receivables	(112,567)	14,550
Prepaid Expenses	(6,562)	2,573
Deposits	6,222	(3,026)
Accounts Payable and Accrued Expenses	251,698	103,995
Accrued Vacation	7,453	(11,020)
Deferred Revenue	115,653	(15,918)
Deferred Rent	(25,766)	(17,383)
Net Cash Provided by Operating Activities	159,182	9,700
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(3,060)	(717)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances on Line of Credit	19,000	7,000
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	175,122	15,983
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	43,686	27,703
Cash and Cash Equivalents - End of Year	\$ 218,808	\$ 43,686
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Interest Paid in Cash	\$ 13,026	\$ 15,062

See accompanying Notes to Financial Statements.



**NATIONAL CENTER FOR VICTIMS OF CRIME  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009 AND 2008**

**NOTE 1 ORGANIZATION**

Founded in 1985, the National Center for Victims of Crime (the “National Center”), a not-for-profit organization incorporated in Virginia, is the nation’s leading resource and advocacy organization for victims of crime. The National Center’s mission is to forge a national commitment to help victims of crime rebuild their lives. The National Center is dedicated to serving individuals, families and communities harmed by crime and works with grassroots and criminal justice organizations nationwide to assist victims, create resources, change public attitudes, and reform laws.

Through collaboration with local, state and federal partners, the National Center:

- Provides direct services and resources
- Advocates for public policies that create resources and secure rights and protections for crime victims
- Delivers training and technical assistance to victim service organizations, counselors, attorneys, criminal justice agencies and allied professionals serving victims of crime; and
- Fosters cutting-edge thinking about the impact of crime and the way in which each of us can help victims regain control of their lives

The National Center operates through six program divisions:

Victim Services – The National Center maintains a comprehensive collection of online resources, an extensive database of service providers for referrals, and a toll-free National Crime Victim Helpline at 1-800-FYI-CALL.

Training and Technical Assistance – The National Center provides victim assistance and allied service professionals with regional and national training opportunities led by national experts, that include basic, advanced, and skill-building instruction on a variety of issues and cutting-edge topics to help professionals and volunteers support victims of crime more effectively.

Public Policy – The National Center advocates for passage of laws and public policies that create resources and secure rights and protections for crime victims.

Public Education – The National Center creates and distributes, online and in print, unique information products, including fact books, directories, training manuals, research reports, policy briefs, and victim service materials to the public.

Civil Justice – The National Center’s National Crime Victim Bar Association is an organization of attorneys and expert witnesses dedicated to helping victims seek justice for the harms they have suffered and hold third parties accountable through the civil justice system.

Research – the National Center undertakes grant-funded research projects that advance the knowledge of victim issues.

**NATIONAL CENTER FOR VICTIMS OF CRIME  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009 AND 2008**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the National Center are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Consequently, revenue is recognized when earned and expenses when obligations are incurred.

**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 certain reported amounts of assets and liabilities and disclosures 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 may differ from those estimates.

**Cash and Cash Equivalents**

For financial statement purposes, the National Center considers cash and cash equivalents to include cash in the bank and liquid investments with an original maturity of three months or less.

**Grants, Contracts and Pledges Receivable**

Receivables are stated at net realizable value. Accounts are individually analyzed for collectibility. A receivable is written off when all collection efforts have been exhausted or certain conditions or forgiveness has been reached. All receivables are deemed collectible by management at September 30, 2009 and 2008.

**Property and Equipment**

All acquisitions of furniture and equipment greater than \$1,000 are capitalized at cost and are depreciated using the straight-line method over the estimated useful lives of the assets, which range from 3 to 5 years. Leasehold improvements are amortized over the remaining life of the lease.

**Net Assets**

The National Center's resources are classified for accounting and reporting purposes into net asset groups based on the existence or absence of donor-imposed restrictions. The net asset groups are as follows:

**Unrestricted**

Unrestricted net assets represent resources available for support of the operations of the National Center.

**Temporarily Restricted**

Temporarily restricted net assets represent resources received by the National Center from contributors that are purpose- or time-restricted by the donors.

**NATIONAL CENTER FOR VICTIMS OF CRIME  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009 AND 2008**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition**

*Government Grants and Contracts*

Government grants and contracts are recorded as revenue when earned. Revenue is earned when eligible expenditures, as defined by each grant or agreement, are made. Funds received but not earned are shown as deferred revenue. Expenditures under government grants and contracts are subject to review by the granting authority. To the extent, if any, that such a review reduces expenditures allowable under these grants and contracts, the National Center will record such disallowance at the time the final assessment is made.

*Contributions*

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Temporarily restricted net assets are contributions with temporary donor-imposed time and/or program restrictions. These temporary restrictions require that resources be used for specific purposes and/or in future periods. Temporarily restricted net assets become unrestricted when time restrictions expire or the funds are used for their restricted purpose and are reported in the statements of activities as "net assets released from restriction." However, restricted contributions are recognized as unrestricted revenue if the restrictions are satisfied in the same period as revenue recognition.

*Membership Dues and Publication Income*

Revenue from membership dues and publications are recognized in the year in which earned. Unearned receipts are reflected as deferred revenue in the statements of financial position.

**Income Taxes**

The National Center is exempt from federal income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code (IRC). The Internal Revenue Service determined that the National Center is not a private foundation as defined in Section 509(a) of the IRC.

Effective October 1, 2008, The National Center adopted a policy that clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. The policy prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The implementation of this policy had no impact on the entity's financial statements.

The National Center's tax returns are subject to review and examination by federal, state and local authorities. The tax returns for the years 2006, 2007, 2008, and 2009 are open to examination by federal, local and state authorities.

**Allocation of Expenses**

The National Center's expenses are summarized on a functional basis in the statements of activities. Accordingly, certain costs are allocated among the programs and supporting services benefited.

**NATIONAL CENTER FOR VICTIMS OF CRIME  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009 AND 2008**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through January 7, 2011, the date the financial statements were available to be issued.

**NOTE 3 PROPERTY AND EQUIPMENT**

At September 30, 2009 and 2008, property and equipment, recorded at cost, and related accumulated depreciation and amortization consisted of the following:

	2009	2008
Computer Equipment	\$ 54,228	\$ 54,391
Furniture and Fixtures	37,561	38,135
Office Equipment	17,073	17,073
Leasehold Improvements	11,992	11,992
	120,854	121,591
Less Accumulated Depreciation and Amortization	(115,670)	(117,335)
	\$ 5,184	\$ 4,256

**NOTE 4 LINE OF CREDIT**

On June 23, 2008 the National Center renewed its revolving line of credit of \$200,000 at BB&T of Virginia. Interest accrues at 1.75% over the prime rate and the line of credit has a maturity date of June 21, 2009. The interest rate as of September 30, 2009 was 6.25%. Borrowings are secured by receivables and property and equipment. Advances under the line of credit were \$200,000 and \$181,000 as of September 30, 2009 and 2008, respectively. The line of credit was renewed at \$200,000 on October 30, 2009 and on August 5, 2010 to mature on September 5, 2011 with a variable interest rate at 1.75% over the prime rate with a fixed minimum rate of 5.50%.

**NOTE 5 TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes:

	2009	2008
Training and Technical Assistance	\$ 10,000	\$ 10,000
Civil Justice	-	39,741
	\$ 10,000	\$ 49,741

**NATIONAL CENTER FOR VICTIMS OF CRIME  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009 AND 2008**

**NOTE 6 RETIREMENT PLAN**

The National Center sponsors a 401(k) defined contribution plan covering substantially all of its employees. Participants under the 401(k) plan may contribute any amount within statutory limits. In addition, the National Center will contribute a match of up to 4% of employees' salaries, which is fully vested after the employee has completed four years of employment. For employees who have completed 1,000 hours of service within their first 12 months under the plan, the National Center also contributes an additional 3% of employees' salaries, which is fully vested immediately. The National Center's contributions to the Plan for the years ended September 30, 2009 and 2008 were approximately \$93,000 and \$109,000, respectively.

**NOTE 7 COMMITMENTS**

**Office Lease**

The National Center leases office space under a noncancelable operating lease expiring in July 2011 with rent escalation of 2.5% per year. The lease also requires payment for a proportionate share of building operating expenses. Occupancy expense for the years ended September 30, 2009 and 2008 was \$398,039 and \$428,069, respectively. Total future minimum annual rental payments under the office lease are as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2010	\$ 352,373
2011	<u>299,737</u>
	<u><u>\$ 652,110</u></u>

**Operating Leases**

The National Center leases equipment under operating lease agreements. Total future minimum monthly rental payments under the operating leases are as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2010	\$ 9,875
2011	9,875
2012	<u>3,205</u>
	<u><u>\$ 22,955</u></u>

**NATIONAL CENTER FOR VICTIMS OF CRIME  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2009 AND 2008**

**NOTE 7    COMMITMENTS (CONTINUED)**

**Other Commitments**

The National Center is committed under a contract for the purchase of consulting services for \$24,000 per annum for the period beginning December 1, 2004, and ending May 31, 2011.

The National Center has a contract for room rental and food and beverage costs associated with a meeting. The contract contains a provision for cancellation fees should the National Center cancel the event. The maximum cancellation fee that the National Center could incur is approximately \$172,000 as of September 30, 2009.

**NOTE 8    CONCENTRATION OF REVENUE RISK**

The National Center is primarily supported by federal funding sources (approximately 62 and 60 percent for the years ended September 30, 2009 and 2008, respectively) and is subject to availability of funds from these sources.

**NOTE 9    GOING CONCERN**

As of September 30, 2009 and 2008, the National Center had deficits of approximately \$273,000 and \$445,000, respectively. This factor creates an uncertainty about the National Center's ability to continue as a going concern. The ability of the National Center to continue as a going concern is dependent on management to increase revenue for general operating support. Management believes that its current progress will support its ongoing operations and both the Board and management are committed to continue to work toward building a healthy unrestricted net asset balance. If needed support is not obtained, management will reduce the size of staff, to ensure the National Center does not increase the current deficit position. The financial statements do not include any adjustments that might be necessary if the National Center is unable to continue as a going concern.