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The Haven, Inc.
Financial Statements
and Independent Auditor's Report
June 30, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11/26/08

The Haven, Inc.

**Financial Statements and Independent Auditor's Report
As of and for the Year Ended
June 30, 2008**

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**Martin
and
Pellegrin**

103 Ramey Road
Houma, Louisiana 70360

*Certified Public Accountants
(A Professional Corporation)*

Ph. (985) 851-3638
Fax (985) 851-3951

INDEPENDENT AUDITOR'S REPORT

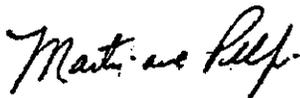
To the Board of Directors
The Haven, Inc.
Houma, Louisiana

We have audited the accompanying statement of financial position of The Haven, Inc. (a nonprofit organization) as of June 30, 2008, 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.

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 The Haven, Inc. as of June 30, 2008, 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 October 31, 2008 on our consideration of The Haven, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 considered in assessing the results of our audit.



October 31, 2008

FINANCIAL STATEMENTS SECTION

The Haven, Inc.

Statement of Financial Position
June 30, 2008

ASSETS

Current assets:

Cash and cash equivalents	\$ 280,231
Investment	61,109
Unconditional promises to give:	
Governmental grants	41,985
Corporate grants	<u>21,546</u>
Total current assets	<u>404,871</u>

Property and equipment, net of accumulated depreciation of \$100,348	<u>220,585</u>
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TOTAL ASSETS \$ 625,456

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable	\$ 633
Accrued expenses	<u>6,760</u>
Total current liabilities	<u>7,393</u>

Net assets:

Unrestricted	596,517
Temporarily restricted	<u>21,546</u>
Total net assets	<u>618,063</u>

TOTAL LIABILITIES AND NET ASSETS \$ 625,456

The accompanying notes are an integral part of this statement.

The Haven, Inc.

**Statement of Activities
Year Ended June 30, 2008**

	Unrestricted	Temporarily Restricted	Total
REVENUES, OTHER SUPPORT, AND RECLASSIFICATION			
Grants:			
Governmental	\$ 441,923	\$ -	\$ 441,923
Corporate	-	46,183	46,183
Fundraising	106,373	-	106,373
Contributions	67,102	-	67,102
In-kind contributions	85,261	-	85,261
Miscellaneous income	1,912	-	1,912
Investment income	3,238	-	3,238
Loss on disposal of assets	(150)	-	(150)
Net assets released from restrictions	53,445	(53,445)	-
TOTAL REVENUES, OTHER SUPPORT, AND RECLASSIFICATION	759,104	(7,262)	751,842
FUNCTIONAL EXPENSES			
Program services			
Domestic violence	458,008	-	458,008
Sexual assault	83,657	-	83,657
Management and general	70,048	-	70,048
Fundraising	10,352	-	10,352
TOTAL FUNCTIONAL EXPENSES	622,065	-	622,065
INCREASE (DECREASE) IN NET ASSETS	137,039	(7,262)	129,777
NET ASSETS, BEGINNING OF PERIOD	459,478	28,808	488,286
NET ASSETS, END OF PERIOD	\$ 596,517	\$ 21,546	\$ 618,063

The accompanying notes are an integral part of this statement.

The Haven, Inc.

Statement of Functional Expenses
Year Ended June 30, 2008

	Program Services		Management and General	Fundraising	Total
	Domestic Violence	Sexual Assault			
Salaries	\$ 245,414	\$ 54,536	\$ 40,902	\$ -	\$ 340,852
Client assistance	66,881	-	-	-	66,881
Health insurance	24,140	5,365	4,023	-	33,528
Payroll taxes	19,122	4,250	3,187	-	26,559
Insurance	14,008	3,113	2,335	-	19,456
Advertising	9,921	2,208	1,653	-	13,780
Depreciation	9,500	2,111	1,584	-	13,195
Food and house supplies	13,147	-	-	-	13,147
Utilities	9,122	2,027	1,520	-	12,669
Fundraising	-	-	-	10,352	10,352
Telephone	7,210	1,602	1,202	-	10,014
Office supplies	5,918	1,316	986	-	8,220
Travel and meals	5,280	1,173	880	-	7,333
Accounting fees	-	-	7,005	-	7,005
Workers' compensation insurance	4,700	1,044	783	-	6,527
Retirement contributions	4,151	922	692	-	5,765
Dues and subscriptions	3,925	872	654	-	5,451
Miscellaneous	4,205	934	701	-	5,840
Repairs and maintenance	3,432	763	572	-	4,767
Seminars and conferences	1,816	403	303	-	2,522
Postage	1,680	373	280	-	2,333
Printing and publications material	1,379	307	229	-	1,915
Wishboard - CC	1,455	-	-	-	1,455
Bank charges	1,012	225	169	-	1,406
Interest	520	115	87	-	722
Pest control	-	-	301	-	301
Educational material	70	-	-	-	70
Total	\$ 458,008	\$ 83,657	\$ 70,048	\$ 10,352	\$ 622,065

The accompanying notes are an integral part of this statement.

The Haven, Inc.

Statement of Cash Flows
Year Ended June 30, 2008

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in net assets	\$ 129,777
Adjustment to reconcile increase in net assets to net cash flows provided by operating activities:	
Depreciation	13,195
Loss on disposal of assets	150
Decrease in operating assets:	
Unconditional promises to give	13,381
Prepaid expense	4,915
Decrease in operating liabilities:	
Accounts payable	(475)
Accrued expenses	(6,069)

NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES 154,874

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of property and equipment	(12,469)
Purchases of investment	(61,109)

NET CASH FLOWS USED IN INVESTING ACTIVITIES (73,578)

CASH FLOWS FROM FINANCING ACTIVITIES:

Principal payments of capital lease payable	(4,094)
Principal payments of note payable	(65,203)

NET CASH FLOWS USED IN FINANCING ACTIVITIES (69,297)

NET INCREASE IN CASH AND CASH EQUIVALENTS 11,999

BEGINNING CASH AND CASH EQUIVALENTS 268,232

ENDING CASH AND CASH EQUIVALENTS \$ 280,231

SUPPLEMENTAL INFORMATION:

Cash paid during the year for interest	\$ <u>722</u>
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The accompanying notes are an integral part of this statement.

The Haven, Inc.

Notes to Financial Statements
As of and for the Year Ended June 30, 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF THE ORGANIZATION

The Haven, Inc. was organized in Louisiana as a non-profit organization for the purpose of establishing a comprehensive community-based response to sexual assault and interpersonal and family violence in Terrebonne Parish, Louisiana. The Organization provides crisis intervention, legal advocacy, counseling, and community education related to domestic violence and sexual assault. The Organization also provides temporary housing for women and children who are victims of domestic violence and/or sexual assault.

B. BASIS OF ACCOUNTING

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

C. PROMISES TO GIVE

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

The Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on management's analysis of specific promises made.

D. PROPERTY AND EQUIPMENT

Property and equipment of the Organization, excluding donated property and equipment, are valued at cost. All donated property and equipment are recorded at estimated fair market value on the date of the donation. Assets are capitalized if costs exceed \$200 and if they have a useful life of at least one year. Depreciation of all exhaustible property and equipment is calculated using the straight-line method and is charged as an expense against operations. Property and equipment reported on the statement of financial position are net of accumulated depreciation.

The Haven, Inc.

**Notes to Financial Statements
As of and for the Year Ended June 30, 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

E. FUNCTIONAL ALLOCATION OF EXPENSES

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

F. 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 and disclosures. Accordingly, actual results could differ from those estimates.

G. CASH AND CASH EQUIVALENTS

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less. Fair value approximates carrying amounts.

H. INCOME TAXES

No provisions for income taxes have been made. The Internal Revenue Service has issued The Haven, Inc. an advance letter ruling exempting the Organization from income taxes. (See Note 2.)

I. ADVERTISING

Advertising costs are expensed as incurred. Advertising expense totaled \$13,780 for the year ended June 30, 2008.

NOTE 2 – INCOME TAXES

The Haven, Inc. is a non-profit corporation organized under the laws of the State of Louisiana. The Haven has received an advance letter ruling from the Internal Revenue Service in which it has been recognized by the Internal Revenue Service as being exempt from income taxes under Internal Revenue Code Section 501(c)(3).

The Internal Revenue Service has further determined the Organization not to be a private foundation as within the meaning of Internal Revenue Code Section 509(a). Contributions to The Haven are deductible as provided by Section 170 of the Internal Revenue Code. The Haven is not involved in any trade or business unrelated to the purpose for which it received its exemption from income taxes.

The Haven, Inc.

**Notes to Financial Statements
As of and for the Year Ended June 30, 2008**

NOTE 3 – CONCENTRATION OF CREDIT RISK

The Haven, Inc. maintains its cash in one financial institution located in Louisiana. During the year the Federal Deposit Insurance Corporation (FDIC) insured the Organization's balances up to \$100,000 at this institution. At June 30, 2008 bank deposits exceeded federally insured limits. Effective October 3, 2008 FDIC coverage increased to \$250,000. The Organization does not believe that it is exposed to significant credit risk in connection with cash and cash equivalents.

NOTE 4 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following:

Governmental grants/	
Office of the Governor/Office of Women's Services	\$ 27,307
Louisiana Commission on Law Enforcement and Administration of Criminal Justice/ Sexual Assault Program	6,464
Domestic Violence Program	2,932
Child Abuse Counseling Program	991
Terrebonne Parish Consolidated Government	3,109
Louisiana Foundation Against Sexual Assault, Inc. Rape Prevention Education	1,182
	<u>\$ 41,985</u>
Corporate grants/	
United Way for South Louisiana	\$ 6,500
IOLTA	15,046
	<u>\$ 21,546</u>

All unconditional promises to give are due within one year and are considered to be fully collectible by management.

The amounts due from United Way for South Louisiana and IOLTA represent the Organization's allocation for the remainder of calendar year 2008.

The unconditional promises to give from the United Way for South Louisiana and IOLTA are temporarily restricted as to the expiration of time restrictions. All other unconditional promises to give are unrestricted.

The Haven, Inc.

Notes to Financial Statements
As of and for the Year Ended June 30, 2008

NOTE 5 – IN-KIND CONTRIBUTIONS

In-kind contributions represent the estimated fair value of general corporate goods and services provided. Contributed goods are valued at fair market value on the date of the donation. Contributed services are reflected in the financial statements at the fair value of the services received. The contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills that would typically need to be purchased if not provided by donation.

The following is a summary of in-kind contributions for the year ended June 30, 2008:

	<u>Estimated Market Value</u>
Client assistance	\$ 63,025
Advertising	12,000
Food and housekeeping	6,320
Office and shelter supplies	3,916
	<u>\$ 85,261</u>

The value of donated volunteer services is not reflected in the accompanying financial statements since they do not meet the recording criteria as per FASB 116. However, a substantial number of volunteers have donated significant amounts of their time in the Organization's program, administrative, and fund-raising activities.

NOTE 6 – PROPERTY AND EQUIPMENT

A summary of changes in property and equipment is as follows:

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2008</u>
Buildings	\$ 259,353	\$ 12,469	\$ -	\$ 271,822
Furniture, fixtures, and equipment	63,285	-	(14,174)	49,111
	322,638	12,469	(14,174)	320,933
Less: accumulated depreciation	(101,177)	(13,195)	14,024	(100,348)
Total	<u>\$ 221,461</u>	<u>\$ (726)</u>	<u>\$ (150)</u>	<u>\$ 220,585</u>

NOTE 7 – FAIR VALUES OF FINANCIAL INSTRUMENTS

The Haven's financial instruments, none of which are held for trading purposes, include cash and cash equivalents, certificate of deposit, and unconditional promises to give. Management estimates that the fair value of all financial instruments as of June 30, 2008 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

The Haven, Inc.

**Notes to Financial Statements
As of and for the Year Ended June 30, 2008**

NOTE 8 – RESTRICTIONS ON NET ASSETS

The restrictions on net assets as of June 30, 2008 relate to United Way for South Louisiana and IOLTA funding for the remainder of calendar year 2008.

NOTE 9 – CORPORATE GRANTS

During the year ended June 30, 2008, the Organization recognized grant revenue from the following corporate grants:

United Way for South Louisiana	\$ 33,183
IOLTA	13,000
Total corporate grants	<u>\$ 46,183</u>

NOTE 10 – GOVERNMENTAL GRANTS

During the year ended June 30, 2008, the Organization recognized grant revenue from the following governmental grantors:

State of Louisiana:	
Office of the Governor/Office of Women's Services	\$ 300,120
Louisiana Commission on Law Enforcement and Administration of Criminal Justice	46,805
Louisiana Foundation Against Sexual Assault, Inc.	36,492
Terrebonne Parish Consolidated Government	58,506
Total governmental grants	<u>\$ 441,923</u>

NOTE 11 – RETIREMENT PLAN

The Organization established a SIMPLE IRA retirement plan on July 1, 2005. Under the plan, employees are allowed to contribute up to \$10,500 of their annual salary. It is available to all employees who have completed the service requirement (one year of service). Under the provisions of the plan, the Company matches 3% of a participating employee's annual salary. The expense of the Organization related to this plan was \$5,765 for the year ended June 30, 2008.

NOTE 12 - INVESTMENT

Investment in the accompanying financial statements consists of a \$61,109 certificate of deposit. The six month certificate bears interest of 2.19% and includes a penalty for early withdrawal. Any penalty for early withdrawal would not be material to the financial statements.

SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

**Martin
and
Pellegrin**

103 Ramey Road
Houma, Louisiana 70360

*Certified Public Accountants
(A Professional Corporation)*

Ph. (985) 851-3638
Fax (985) 851-3951

**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**

To the Board of Directors
The Haven, Inc.
Houma, Louisiana

We have audited the financial statements of The Haven, Inc. (a nonprofit organization) as of and for the year ended June 30, 2008, and have issued our report thereon dated October 31, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The Haven, Inc.'s internal control over financial reporting in order to determine 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 Haven'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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the

Board of Directors
The Haven, Inc.
Houma, Louisiana

Organization's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 08-01 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Organization's internal control.

Our consideration of the internal control over financial reporting 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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe the significant deficiency described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Haven Inc.'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, others within the Organization, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Matthew Relf

October 31, 2008

SUPPLEMENTAL INFORMATION

The Haven, Inc.

**Schedule of Findings and Questioned Costs
As of and for the Year Ended
June 30, 2008**

Section I – Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of The Haven, Inc.
2. One significant deficiency (see finding 08-01) was noted during the audit of the financial statements. This significant deficiency was not considered to be a material weakness.
3. No instances of noncompliance or other matters material to the financial statements of The Haven, Inc., which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. A management letter was not issued.

Section II – Financial Statement Findings

No findings material to the financial statements of The Haven, Inc. were noted during the audit.

Section III – Internal Control Findings

08-01

Statement of Condition: A significant deficiency in the organization's internal control.

Criteria: In our consideration of internal control, we noted that the size of The Haven, Inc.'s operations and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

Effects of Condition: The internal control, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Cause of Condition: The size of The Haven, Inc. and its limited accounting staff preclude an adequate segregation of duties and other features of an adequate system of internal control.

The Haven, Inc.

**Schedule of Findings and Questioned Costs
As of and for the Year Ended
June 30, 2008**

Recommendation: The Board of Directors of The Haven, Inc. should closely monitor the day-to-day activities of the Organization and implement other control procedures until the agency has grown to the point where it is cost beneficial to employ an adequate system of internal controls.

Response: The management of The Haven, Inc. agrees with this finding.

Questioned Costs: \$ -0-

Section IV – Federal Award Findings and Questioned Costs

This section is not applicable.

The Haven, Inc.

**Schedule of Prior Findings and Resolution Matters
As of and for the Year Ended
June 30, 2008**

Note: All prior findings relate to the June 30, 2007 audit engagement.

Section I – Internal Control and Compliance Material to the Financial Statements

Inadequate Internal Control

Condition: A significant deficiency in the internal control related to lack of segregation of duties.

Recommendation: The Board of Directors of The Haven, Inc. should closely monitor the day-to-day activities of the Organization and implement other control procedures until the agency has grown to the point where it is cost beneficial to employ an adequate system of internal controls.

Status: The Organization has implemented the recommendation, but the lack of segregation of duties continues to exist. The Board will continue to perform the recommendation until it is financially feasible to employ additional staff.

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.

The Haven, Inc.

**Management's Corrective Action
Plan for Current Year Findings
As of and for the Year Ended
June 30, 2008**

The contact person for all corrective actions noted below is Ms. Julie Pellegrin, Executive Director.

Section I – Internal Control and Compliance Material to the Financial Statements

Inadequate Internal Control

Condition: A significant deficiency in the internal control related to lack of segregation of duties.

Recommendation: The Board of Directors of The Haven, Inc. should closely monitor the day-to-day activities of the Organization and implement other control procedures until the agency has grown to the point where it is cost beneficial to employ an adequate system of internal controls.

Planned Action: The Board of Directors will closely monitor the day-to-day activities of the Organization until it is financially feasible to employ additional staff.

Section II – Internal Control and Compliance Material to Federal Awards

This section is not applicable.

Section III – Management Letter

This section is not applicable.