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**SAFETY NET FOR ABUSED PERSONS, INC.**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2004**

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 2-2-05

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**INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors  
Safety Net for Abused Persons, Inc.  
New Iberia, Louisiana**

**We have audited the accompanying statement of financial position of Safety Net for Abused Persons, Inc. (a non-profit organization) as of June 30, 2004 and the related statements of activities 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 Safety Net For Abused Persons, Inc. as of June 30, 2004, 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 a report dated December 16, 2004, on our consideration of Safety Net For Abused Persons, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.**

**The financial information for the preceding year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion on the financial statements of the Safety Net For Abused Persons, Inc.**

*Guidry, Chauvin & Taylor*  
A Corporation of Certified Public Accountants

Franklin, Louisiana  
December 16, 2004

**FINANCIAL STATEMENTS**

SAFETY NET FOR ABUSED PERSONS, INC.

STATEMENTS OF FINANCIAL POSITION  
June 30, 2004 and 2003

	2004	2003
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 43,300	\$ 55,616
Accounts receivable	1,065	1,065
Due from other agencies	51,813	41,193
Inventory	1,613	1,642
Total current assets	97,791	99,516
<b>FIXED ASSETS</b>		
Property and equipment, net	203,346	208,639
<b>SECURITY DEPOSIT</b>		
	92	92
Total assets	\$ 301,229	\$ 308,247
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 6,481	\$ 4,985
Accrued liabilities	13,985	13,308
Income tax payable	1,715	1,762
Deferred revenue	4,500	8,063
Line of credit payable	10,422	-
Current portion of mortgage payable	5,436	4,963
Total current liabilities	42,539	33,081
<b>LONG-TERM LIABILITIES</b>		
Mortgage payable, less current portion	106,465	113,727
Total liabilities	149,004	146,808
<b>NET ASSETS</b>		
Unrestricted	139,349	144,637
Temporarily restricted	12,876	16,802
	152,225	161,439
Total liabilities and net assets	\$ 301,229	\$ 308,247

The accompanying notes are an integral part of the financial statements

SAFETY NET FOR ABUSED PERSONS, INC.

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2004

	Unrestricted	Temporarily Restricted	Total
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
Contributions	\$ 52,575	\$ -	\$ 52,575
Grant revenue	369,814	1,843	371,657
Fundraising events	620,081	-	620,081
Interest revenue	114	-	114
Miscellaneous revenue	453	-	453
Net assets released from restrictions:			
Satisfaction of program restrictions	5,769	(5,769)	-
Total revenues, gains and other support	1,048,806	(3,926)	1,044,880
<b>EXPENSES AND LOSSES</b>			
Program expenses	379,202	-	379,202
General and administrative expenses	88,414	-	88,414
Fundraising expenses	586,478	-	586,478
Total expenses	1,054,094	-	1,054,094
Change in net assets	(5,288)	(3,926)	(9,214)
Net assets at beginning of year	144,637	16,802	161,439
Net assets at end of year	\$ 139,349	\$ 12,876	\$ 152,225

The accompanying notes are an integral part of the financial statements

SAFETY NET FOR ABUSED PERSONS, INC.

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2003

	Unrestricted	Temporarily Restricted	Total
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
Contributions	\$ 36,433	\$ -	\$ 36,433
Grant revenue	304,595	1,669	306,264
Fundraising events	622,782	-	622,782
Interest revenue	120	-	120
Miscellaneous revenue	561	-	561
Net assets released from restrictions:			
Satisfaction of program restrictions	5,822	(5,822)	-
Total revenues, gains and other support	970,313	(4,153)	966,160
<b>EXPENSES AND LOSSES</b>			
Program expenses	325,532	-	325,532
General and administrative expenses	79,216	-	79,216
Fundraising expenses	578,953	-	578,953
Total expenses	983,701	-	983,701
Change in net assets	(13,388)	(4,153)	(17,541)
Net assets at beginning of year	158,025	20,955	178,980
Net assets at end of year	\$ 144,637	\$ 16,802	\$ 161,439

The accompanying notes are an integral part of the financial statements

SAFETY NET FOR ABUSED PERSONS, INC.

STATEMENTS OF CASH FLOWS  
Years Ended June 30, 2004 and 2003

	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (9,214)	\$(17,541)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	18,928	16,154
(Increase) decrease in due from other agencies	(10,620)	61,473
(Increase) decrease in inventory	29	69
Increase (decrease) in accounts payable	1,496	(1,917)
Increase in accrued liabilities	677	5,438
Increase (decrease) in income tax payable	(47)	(42)
Increase in deferred revenue	<u>(3,563)</u>	<u>2,563</u>
Net cash provided (used) by operating activities	<u>(2,314)</u>	<u>66,197</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of land and/or land improvements	(10,643)	(27,880)
Purchase of equipment	<u>(2,991)</u>	<u>(21,327)</u>
Net cash provided (used) by investing activities	<u>(13,634)</u>	<u>(49,207)</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	10,789	45,120
Principal payments on note payable	(368)	-
Principal payments on mortgage payable	<u>(6,789)</u>	<u>(9,936)</u>
Net cash provided by (used in) financing activities	<u>3,632</u>	<u>35,184</u>
 Net increase (decrease) in cash	(12,316)	52,174
 Cash at beginning of year	<u>55,616</u>	<u>3,442</u>
 Cash at end of year	<u>\$ 43,300</u>	<u>\$ 55,616</u>
 <b>SUPPLEMENTAL DATA</b>		
Interest paid	<u>\$ 7,793</u>	<u>\$ 6,054</u>

The accompanying notes are an integral part of the financial statements



**SAFETY NET FOR ABUSED PERSONS, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 1: Nature of Organization and Significant Accounting Policies**

**Nature of organization:**

Safety Net For Abused Persons, Inc. (SNAP) is a non-profit organization that provides a wide range of services to victims of domestic violence. Its core service is providing shelter and support for victims and children. In addition, a 24-hour crisis line, individual assessment, and case management are provided. SNAP is also actively involved with community education including law enforcement training and support groups. SNAP coordinates domestic abuse intervention through the court system and provides mandated education for abusers.

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting.

The Organization is an exempt organization for Federal income tax purposes under Section 501(c)(3) of the Internal Revenue Code. However, certain fundraising activities of the Organization are not specifically exempt from income tax as further discussed in Note 10.

**Significant accounting policies:**

**Support and expenses:**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets in the statement of activities as net assets released from restrictions. The Organization relies heavily on grants (government and other) and general public donations to support its operations.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

**Allowance for doubtful accounts:**

The Organization considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

**Property and equipment:**

Purchased property and equipment are recorded at cost at the date of acquisition. Property and equipment purchased with grant funds are recorded as temporarily restricted contributions. In the absence of donor stipulations regarding how long the assets must be used, that organization has adopted a policy of implying a time restriction that expires over the useful life of the assets. Depreciation is computed by the straight-line method based on the following estimated lives:

	<u>Years</u>
Buildings and improvements	27 ½
Furniture, equipment and vehicles	5 – 7

SAFETY NET FOR ABUSED PERSONS, INC.  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 1: Nature of Organization and Significant Accounting Policies (Continued)

Compensated absences:

Employees of SNAP earn annual leave in varying amounts depending upon length of service. Sick leave is earned at the rate of one day a month. Upon termination, no payment is made for unused sick leave, but accrued annual leave is paid up to a maximum of 24 months of accrual. At June 30, 2004 and 2003, accrued annual leave totaled \$2,965 and \$2,084, respectively.

Donated services:

SNAP receives donated services from unpaid volunteers who assist in program services during the year; however, these donated services are not reflected in the statement of activity because the criteria for recognition under SFAS No. 116 have not been satisfied.

Cash and cash equivalents:

For the purposes of the statement of cash flows, SNAP considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Advertising:

Advertising costs are expensed as incurred. Advertising expense was \$2,400 in 2004 and \$3,026 in 2003.

Note 2: Accounting 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 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.

Note 3: Due from Other Agencies

Due from other agencies consisted of the following at June 30, 2004 and 2003:

	<u>2004</u>	<u>2003</u>
State of Louisiana -		
USDA grant	\$ -	\$ 326
OWS grant	31,833	23,946
TANF grant	10,888	7,856
CVA grant	4,060	4,992
VAWA grant	1,941	1,269
ESGP grant	711	2,098
RPAP grant	1,370	-
Acadiana Legal Services	<u>1,010</u>	<u>706</u>
	<u>\$ 51,813</u>	<u>\$ 41,193</u>

SAFETY NET FOR ABUSED PERSONS, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 4: Natural Classification of Expenses

Expenses incurred were the following for the years ended June 30, 2004 and 2003, respectively:

2004	Victim Support and Shelter	General and Administrative	Fundraising	Total
Salaries	\$ 224,953	\$ 58,354	\$ 24,360	\$ 307,667
Payroll taxes	17,368	4,506	1,881	23,755
Advertising	-	-	2,400	2,400
Depreciation	18,928	-	-	18,928
Dues and subscriptions	900	165	-	1,065
Insurance	45,497	7,793	-	53,290
Legal and accounting	-	6,280	1,785	8,065
Licenses and fees	-	-	-	-
Office	8,793	5,358	-	14,151
Outside services	6,735	-	-	6,735
Rent	-	-	31,200	31,200
Prizes	-	-	455,734	455,734
Supplies	10,032	557	61,531	72,120
Telephone	6,370	708	-	7,078
Travel and conferences	7,315	-	-	7,315
Security	-	-	4,520	4,520
Utilities	8,676	964	-	9,640
Repairs and maintenance	4,144	460	-	4,604
Interest	7,013	779	-	7,792
Other	12,478	2,490	512	15,480
Income tax/penalties	-	-	2,555	2,555
	<u>\$ 379,202</u>	<u>\$ 88,414</u>	<u>\$ 586,478</u>	<u>\$ 1,054,094</u>

SAFETY NET FOR ABUSED PERSONS, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 4: Natural Classification of Expenses (Continued)

2003	Victim Support and Shelter	General and Administrative	Fundraising	Total
Salaries	\$ 196,829	\$ 47,876	\$ 24,004	\$ 268,709
Payroll taxes	15,613	4,051	1,848	21,512
Advertising	-	426	2,600	3,026
Depreciation	16,154	-	-	16,154
Dues and subscriptions	450	500	-	950
Insurance	32,688	9,771	-	42,459
Legal and accounting	-	6,030	2,969	8,999
Licenses and fees	150	205	-	355
Office	9,387	3,477	2,611	15,475
Outside services	2,150	-	-	2,150
Rent	-	-	31,800	31,800
Prizes	-	-	444,328	444,328
Supplies	17,770	764	61,451	79,985
Telephone	6,145	683	-	6,828
Travel and conferences	6,640	-	-	6,640
Security	-	-	2,700	2,700
Utilities	8,375	931	-	9,306
Repairs and maintenance	4,017	446	-	4,463
Interest	5,449	605	-	6,054
Other	3,715	3,451	2,230	9,396
Income tax/penalties	-	-	2,412	2,412
	<u>\$ 325,532</u>	<u>\$ 79,216</u>	<u>\$ 578,953</u>	<u>\$ 983,701</u>

Note 5: Property and Equipment

Property and equipment consisted of the following at June 30, 2004 and 2003:

	<u>2004</u>	<u>2003</u>
Land	\$ 55,880	\$ 55,880
Transportation equipment	19,111	19,111
Buildings and improvements	191,934	181,291
Furniture and equipment	<u>60,425</u>	<u>60,295</u>
	327,350	316,577
Less accumulated depreciation	<u>(123,548)</u>	<u>(107,938)</u>
	<u>\$ 203,802</u>	<u>\$ 208,639</u>

SAFETY NET FOR ABUSED PERSONS, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 6: Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes or periods as of June 30, 2004 and 2003:

	2004	2003
Depreciation of equipment purchased with federal grant funds	\$ 12,419	\$ 16,802

Note 7: Net Assets Released from Restrictions

Net assets were released from restrictions by incurring expenses satisfying the expiration of time for the years ended June 30, 2004 and 2003:

	2004	2003
Emergency Shelter Grants Program	\$ 159	\$ 159
Emergency Food and Shelter Program	329	329
Access to Justice	184	-
Office of Women's Services Program	5,097	5,334
	\$ 5,769	\$ 5,822

Note 8: Summary of Grants/Contracts Funding

SNAP was funded through the following grants and contracts for the year ended June 30, 2004:

Funding Source	Award Number	Recognized Support
Louisiana Commission on Law Enforcement:		
Domestic Violence Program	C02-4-004	\$ 22,225
Domestic Violence Program	C03-4-004	28,049
Domestic Violence Program	M02-8-021	19,827
Domestic Violence Program		5,400
State of Louisiana:		
Office of Women's Services	CFMS #601183	226,570
Rural Projects Assistance Program	2003-04-RPAP-040	7,193
Departments of Education Child and Adult Care Food Program	CACFP2002-09	8,018
Louisiana Bar Foundation:		
IOLTA Grant Program	2003-042	7,289
IOLTA Grant Program	2004-043	6,900
Access to Justice Grant		1,900
City of New Iberia:		
Emergency Shelter Grant Program	CFMS #589130	12,005
Acadiana Legal Services	SNAP01	15,281
United States Department of Agriculture:		
Emergency Food and Shelter Program	CFDA 83.523	11,000
		\$ 371,657

SAFETY NET FOR ABUSED PERSONS, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Note 9: Line of Credit and Mortgage Payable

During the year ended June 30, 2004, SNAP entered into a line of credit agreement with a bank authorizing SNAP to borrow up to \$20,000 against the line of credit. Borrowings under the agreement are secured by the SNAP building and adjacent property and bear interest at a variable rate currently set at 6%. At June 30, 2004, SNAP had outstanding advances under the agreement totaling \$10,422. Repayment is monthly at the greater of \$250 or 3% of the outstanding credit advances at the date of payment. The agreement is due on demand.

At June 30, 2004, SNAP had a mortgage payable to a bank totaling \$111,901, bearing interest at the rate of 6.75%. The mortgage is payable in monthly installments of \$1,069, which includes interest, with a final payment of the entire unpaid balance of principal and interest due on April 25, 2018. The mortgage is secured by the SNAP building and adjacent property. Maturities by year are as follows:

Year Ending June 30,	Amount
2005	\$ 5,436
2006	5,815
2007	6,219
2008	6,652
2009	7,116
2010-2014	43,737
2015-2018	36,926
	\$ 111,901

Note 10: Income Taxes on Unrelated Business Income

SNAP has incurred unrelated business income tax on certain fundraising activities not specifically excluded by federal statutes. Income taxes have been provided as follows at June 30, 2004 and 2003:

	2004	2003
Federal tax provision	\$ 1,715	\$ 1,762
Cash payments for income tax during the period	\$ 1,762	\$ 1,804

Note 11: Contingent Liabilities

SNAP receives grants for specific purposes that are subject to review and audit by the agency providing the funding. Such reviews and audits could result in expenses being disallowed under the terms and conditions of the grants. In the opinion of management, such disallowances, if any, would be immaterial.

**INDEPENDENT AUDITOR'S REPORT ON  
COMPLIANCE AND INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Safety Net for Abused Persons, Inc.  
New Iberia, Louisiana

We have audited the financial statements of Safety Net for Abused Persons, Inc. as of and for the year ended June 30, 2004, and have issued our report thereon dated December 16, 2004. 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.

**Compliance**

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

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



This report is intended solely for the information and use of management, others within the Organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Guidry, Chauvin & Taylor*  
A Corporation of Certified Public Accountants

Franklin, Louisiana  
December 16, 2004

SAFETY NET FOR ABUSED PERSONS, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2004

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report – Financial Statements

*An unqualified opinion has been issued on the financial statements of Safety Net for Abused Persons, Inc. as of and for the year ended June 30, 2004.*

Reportable Conditions – Financial Statements

*No reportable conditions in internal control over financial reporting were disclosed during the audit of the financial statements.*

Material Noncompliance – Financial Reporting

*No material instances of noncompliance were noted during the audit of the financial statements.*

FEDERAL AWARDS

*This section is not applicable for the fiscal year ended June 30, 2004.*

Part 2: Findings Relating to an Audit in Accordance with *Government Auditing Standards*

*There were no findings noted for the year ended June 30, 2004.*

Part 3: *Findings and Questioned Costs Relating to Federal Programs*

*At June 30, 2004, the Safety Net for Abused Persons, Inc. did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.*

**SAFETY NET FOR ABUSED PERSONS, INC.**  
**MANAGEMENT'S CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS**  
**Year Ended June 30, 2004**

**There were no findings noted for the year ended June 30, 2004.**

**SAFETY NET FOR ABUSED PERSONS, INC.**

**SCHEDULE OF PRIOR YEAR FINDINGS  
Year Ended June 30, 2004**

**Section I. Internal Control and Compliance Material to the Financial Statements**

*There were no findings in the prior year report.*

**Section II. Internal Control and Compliance Material to Federal Awards**

This section was not applicable.

**Section III. Management Letter**

The prior year's report did not include a management letter.