

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.**

FINANCIAL STATEMENTS

December 31, 2014 and 2013



CRI CARR
RIGGS &
INGRAM

CPAs and Advisors

CRIcpa.com | blog.cricpa.com

**Gingerbread House Bossier/Caddo
Children’s Advocacy Center, Inc.
Table of Contents
December 31, 2014**

TAB: REPORT

Independent Auditor’s Report	1
------------------------------	---

TAB: FINANCIAL STATEMENTS

Statements of Financial Position as of December 31, 2014 and 2013	3
Statement of Activities for the Year Ended December 31, 2014	4
Statement of Activities for the Year Ended December 31, 2013	5
Statement of Functional Expenses for the Year Ended December 31, 2014	6
Statement of Functional Expenses for the Year Ended December 31, 2013	7
Statements of Cash Flows for the Years Ended December 31, 2014 and 2013	8
Notes to the Financial Statements	9
Schedule of Findings and Responses	17
Supplemental Information	
Schedule of Compensation, Benefits and Other Payments	18

TAB: REQUIRED COMMUNICATIONS

Required Communications	19
Accounting Policies, Judgments, and Sensitive Estimates and CRI Comments on Quality	25
Summary of Audit Adjustments	26
Management Representation Letter	28

TAB: INTERNAL CONTROL RECOMMENDATIONS

Internal Controls	31
-------------------	----



REPORT



Carr, Riggs & Ingram, LLC
650 Olive Street
Shreveport, LA 71104

(318)222-2222
(318)226-7150 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Gingerbread House Bossier/Caddo Children's Advocacy Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related 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 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 Gingerbread House Bossier/Caddo Children's Advocacy Center, Inc. as of December 31, 2014 and 2013, 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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments is presented in accordance with Act 706 of the Louisiana Revised Statutes (LRS) 24:513(A)(3) on page 18 for purposes of additional analysis and is 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 Schedule of Compensation, Benefits and Other Payments is fairly stated in all material respects in relation to the financial statements as a whole.



CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
June 24, 2015



FINANCIAL STATEMENTS

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Statements of Financial Position**

<i>December 31,</i>	2014	2013
Assets		
Current assets		
Cash and cash equivalents	\$ 177,434	\$ 128,722
Federal, state, and local grants receivable	22,945	27,859
Other current assets	869	869
Total current assets	201,248	157,450
Property and equipment, net	8,152	13,897
Total assets	\$ 209,400	\$ 171,347
Liabilities and Net Assets		
Current liabilities		
Accrued payroll and taxes	\$ 19,553	\$ 22,705
Total current liabilities	19,553	22,705
Total liabilities	19,553	22,705
Net assets		
Unrestricted	139,347	113,642
Temporarily restricted	50,500	35,000
Permanently restricted	-	-
Total net assets	189,847	148,642
Total liabilities and net assets	\$ 209,400	\$ 171,347

The accompanying notes are an integral part of these financial statements.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Statement of Activities**

<i>For the Year Ended December 31, 2014</i>	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Changes in net assets				
Revenue				
Contributions	\$ 48,737	\$ -	\$ -	\$ 48,737
Foundation and corporate grants	101,371	95,000	-	196,371
Federal, state, and local grants	106,766	-	-	106,766
Fundraising	98,059	3,000	-	101,059
In-kind rent	62,592	-	-	62,592
Other	98	-	-	98
Total revenue	417,623	98,000	-	515,623
Net assets released from restrictions	82,500	(82,500)	-	-
Expenses				
Program services	368,211	-	-	368,211
Support services				
Management and general	51,578	-	-	51,578
Fundraising	54,629	-	-	54,629
Total support services	106,207	-	-	106,207
Total expenses	474,418	-	-	474,418
Change in net assets	25,705	15,500	-	41,205
Net assets, beginning of year	113,642	35,000	-	148,642
Net assets, end of year	\$ 139,347	\$ 50,500	\$ -	\$ 189,847

The accompanying notes are an integral part of these financial statements.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Statement of Activities**

<i>For the Year Ended December 31, 2013</i>	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Changes in net assets				
Revenue				
Contributions	\$ 45,883	\$ -	\$ -	\$ 45,883
Foundation and corporate grants	63,895	70,000	-	133,895
Federal, state, and local grants	121,361	-	-	121,361
Fundraising	95,339	-	-	95,339
In-kind rent	62,592	-	-	62,592
Other	56	-	-	56
Total revenue	389,126	70,000	-	459,126
Net assets released from restrictions	55,000	(55,000)	-	-
Expenses				
Program services	346,527	-	-	346,527
Support services				
Management and general	58,910	-	-	58,910
Fundraising	24,477	-	-	24,477
Total support services	83,387	-	-	83,387
Total expenses	429,914	-	-	429,914
Change in net assets	14,212	15,000	-	29,212
Net assets, beginning of year	99,430	20,000	-	119,430
Net assets, end of year	\$ 113,642	\$ 35,000	\$ -	\$ 148,642

The accompanying notes are an integral part of these financial statements.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Statement of Functional Expenses**

<i>For the Year Ended December 31, 2014</i>	Support Services			Totals
	Program Services	Management and General	Fund Raising	
Accounting and professional services	\$ -	\$ 10,750	\$ -	\$ 10,750
Dues and subscriptions	210	1,399	-	1,609
Depreciation	5,228	517	-	5,745
Insurance	23,490	4,146	-	27,636
Office supplies	5,557	275	-	5,832
Postage	20	577	-	597
Printing	6,021	1,985	4,709	12,715
Repairs and maintenance	837	723	-	1,560
Salaries and payroll taxes	238,667	20,535	-	259,202
Rent	56,959	5,633	-	62,592
Technology and website	-	190	-	190
Training	13,478	1,273	-	14,751
Travel	1,727	680	-	2,407
Utilities and telephone	13,290	1,375	-	14,665
Other	2,727	1,520	49,920	54,167
Total	\$ 368,211	\$ 51,578	\$ 54,629	\$ 474,418

The accompanying notes are an integral part of these financial statements.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Statement of Functional Expenses**

<i>For the Year Ended December 31, 2013</i>	Support Services			Totals
	Program Services	Management and General	Fund Raising	
Accounting and professional services	\$ -	\$ 10,000	\$ -	\$ 10,000
Dues and subscriptions	-	459	-	459
Depreciation	5,036	560	-	5,596
Insurance	20,015	3,699	-	23,714
Office supplies	3,722	3,076	-	6,798
Postage	79	352	-	431
Printing	2,462	1,264	3,892	7,618
Repairs and maintenance	-	405	-	405
Salaries and payroll taxes	228,333	23,514	-	251,847
Rent	56,959	5,633	-	62,592
Technology and website	-	1,758	-	1,758
Training	13,837	2,872	-	16,709
Travel	1,040	1,442	-	2,482
Utilities and telephone	12,679	1,314	-	13,993
Other	2,365	2,562	20,585	25,512
Total	\$ 346,527	\$ 58,910	\$ 24,477	\$ 429,914

The accompanying notes are an integral part of these financial statements.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Statements of Cash Flows**

<i>For the Years Ended December 31,</i>	2014	2013
Cash flows from operating activities		
Change in net assets	\$ 41,205	\$ 29,212
Adjustments to reconcile change in net assets to cash provided by operating activities		
Depreciation	5,745	5,596
(Increase) decrease in		
Grants receivable	4,914	190
Other current assets	-	2,500
Increase (decrease) in		
Accrued payroll and taxes	(3,152)	2,399
Cash provided by operating activities	48,712	39,897
Cash flows from investing activities		
Purchase of capital assets	-	(6,058)
Cash used in investing activities	-	(6,058)
Net increase in cash and cash equivalents	48,712	33,839
Cash and cash equivalents, beginning of year	128,722	94,883
Cash and cash equivalents, end of year	\$ 177,434	\$ 128,722

The accompanying notes are an integral part of these financial statements.

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Gingerbread House Bossier/Caddo Children’s Advocacy Center, Inc. (“Gingerbread House”) is a not-for-profit corporation formed under the laws of the State of Louisiana. It began serving abused children in the Louisiana parishes of Bossier and Caddo in 1998. The mission of Gingerbread House is to work to prevent child abuse, be an advocate for children and families who have experienced abuse, and assist in the legal process. Gingerbread House works in collaboration with local law enforcement, child protective services, the district attorneys’ offices, and medical and mental health professionals to provide services for abused children and their families. All services are provided at no cost to the victim’s family or referring agency. Gingerbread House’s program activities include the following:

Forensic Interviews

Gingerbread House employs forensic child interviewers trained in obtaining the details necessary to conduct effective and complete investigations of child sexual and severe physical abuse cases in a non-threatening manner. Children ages 2-14 from all social, economic and ethnic backgrounds are served.

Multidisciplinary Investigations

Gingerbread House has established a Multidisciplinary Team (“MDT”) approach for responding to child abuse cases. The MDT consists of members from law enforcement, the Office of Community Services, the district attorneys’ offices, and medical and mental health agencies. All cases are coordinated, reviewed, and tracked by the MDT.

Mental Health Therapy Interventions

Follow-up counseling services for child victims interviewed at Gingerbread House and their non-offending caregivers are offered at the Gingerbread House by a Ph.D. or Licensed Professional Counselor at no cost to the victim’s family.

Family Advocacy & Supportive Services

Gingerbread House offers referral services for child abuse victims and their families. Educational support groups for both child victims and their non-offending family members are offered year-round. Adult groups are facilitated by the Counselor and children groups are facilitated by the Family Advocate. In addition, Gingerbread House coordinates annual outreach programs in the local community.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Notes to the Financial Statements**

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Community Education & Prevention Services

Gingerbread House coordinates local efforts in child abuse education and awareness. Services include Knowledge is Power, a body safety/sexual abuse risk-reduction program with components for children (preschool through elementary school level), school personnel and other mandated reporters, and parents. In addition, Gingerbread House conducts numerous presentations for community organizations on topics related to child abuse.

Professional Development & Training Opportunities

Gingerbread House provides ongoing training for members of the Multidisciplinary Team and local agencies working in the field of child abuse. Events include spring MDT training, cultural diversity workshops, videoconferences (through partnership with local agencies), national conferences such as National Symposium on Child Abuse (Huntsville, AL) and Crimes Against Children (Dallas, TX), and a number of other training opportunities.

Basis of Accounting

The accounting policies of Gingerbread House conform to U.S. generally accepted accounting principles as applicable to voluntary health and welfare organizations. Gingerbread House prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Financial Statement Presentation

The Gingerbread House has adopted the requirements of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 958 "Not-for-Profit Entities." Under FASB ASC 958, the Gingerbread House is required to report information regarding its financial position and activities based on the absence or existence of donor-imposed restrictions. Accordingly, net assets and changes therein, may be classified and reported as follows, as financial circumstances require:

Unrestricted net assets

Net assets that are not subject to donor-imposed stipulations. Some unrestricted net assets may be designated by the governing board of the Gingerbread House for specific purposes.

Temporarily restricted net assets

Net assets subject to donor-imposed stipulations that may or will be met by actions of the Gingerbread House and/or the passage of time.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Notes to the Financial Statements**

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Permanently restricted net assets

Net assets subject to donor-imposed stipulations that they be maintained permanently by the Gingerbread House. Generally, donors permit all or part of the income earned on these assets to be used for general or specific purposes.

Cash and Cash Equivalents and Concentration of Credit Risk

The Gingerbread House considers all highly liquid debt instruments with a remaining maturity at date of purchase of three months or less to be cash equivalents. Cash and cash equivalents consist principally of demand deposits at commercial banks. There were no cash equivalents at December 31, 2014 and 2013. The demand deposit balances, as reflected in the banks' records, are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2014 and 2013, the Gingerbread House's cash balances were fully insured.

Financial instruments that are exposed to concentrations of credit risk consist of cash and grants, support and contribution receivables. Grants, support and contribution receivables are principally with federal, state, local agencies, foundations and individuals, within the geographic area. Realization of these items is dependent on various individual economic conditions, and the Gingerbread House does not require collateral or other security to support accounts receivable. Receivables are carried at estimated net realizable values. As of December 31, 2014 and 2013, respectively, two grantors accounted for 98% and 99% of the Company's gross accounts receivable.

Contributions, Grants and Public Support

In accordance with FASB ASC Topic 958, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor-imposed restrictions. All contributions are considered to be available for unrestricted use, unless specifically restricted by the donor.

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 the restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Gingerbread House that is, in substance, unconditional.

**Gingerbread House Bossier/Caddo
Children’s Advocacy Center, Inc.
Notes to the Financial Statements**

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Federal, state, and local grants receivable are recorded at the amount billed.

The allowance for doubtful accounts is evaluated on a regular basis by management and is based upon management’s periodic review of the collectability of the receivables in light of historical experience, the nature and type of account, adverse situations that may affect the payor’s ability to repay and prevailing economic conditions. This evaluation is inherently subjective, as it requires estimates that are susceptible to significant revision as more information becomes available. Receivables deemed uncollectible are charged off against the allowance when management believes the uncollectibility is confirmed. All receivables are considered to be fully collectible within one year; accordingly, no allowance for uncollectible receivables has been recognized at December 31, 2014 and 2013.

Property and Equipment

Assets with useful lives over two years and in excess of \$1,000 are capitalized. Assets purchased are recorded at cost and depreciated using the straight-line method over the estimated useful lives as follows.

Office equipment	5 to 7 years
Furniture and fixtures	7 to 10 years
Toys/games	7 years
Counseling tools	7 years

Donated assets are recorded at their estimated fair value at the date of donation and are depreciated using the same method as assets purchased.

In-kind Donations

The Gingerbread House records various types of in-kind support, including rent, supplies and design and printing services. GAAP requires recognition of professional services received if those services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind support are offset by like amounts included in expenses.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Notes to the Financial Statements**

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Federal Income Tax

Under provisions of Section 501(c)(3) of the Internal Revenue Code and the applicable income tax regulations of the State of Louisiana, the Gingerbread House is exempt from income taxes, except from unrelated business income. There were no unrelated business activities for the years ended December 31, 2014 or 2013. Accordingly, no tax expense was incurred for the years ended December 31, 2014 or 2013.

Allocation of Functional Expenses

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

Use of 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.

Reclassifications

Certain reclassifications have been made to the 2013 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

NOTE 2: PROPERTY AND EQUIPMENT

<i>December 31,</i>	2014	2013
Office equipment	\$ 47,737	\$ 47,737
Furniture and fixtures	15,076	15,076
Toys/games	2,662	2,662
Counseling tools	3,209	3,209
Total property and equipment	68,684	68,684
Accumulated depreciation	(60,532)	(54,787)
Property and equipment, net	\$ 8,152	\$ 13,897

Depreciation expense was \$5,745 and \$5,596 for the years ended December 31, 2014 and 2013, respectively.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Notes to the Financial Statements**

NOTE 3: OPERATING LEASE

The Gingerbread House leases its office space. The current term of the lease covers the period from February 1, 2014, to January 31, 2015, and was renewed for an additional twelve month period ending January 31, 2016, subsequent to year end. Rent expense under the lease for the years ended December 31, 2014 and 2013, was \$1.

NOTE 4: NON-CASH DONATION

During the years ended December 31, 2014 and 2013, the Gingerbread House received the following non-cash donations of materials, services, advertising and use of facilities that have been reflected in the financial statements of the Gingerbread House:

<i>December 31,</i>	2014	2013
In-kind rent		
Use of facilities	\$ 62,592	\$ 62,592
In-kind fundraising		
Facility rental and audiovisual services	\$ 2,500	\$ 7,428
Design and printing services	4,709	3,892
Other donated items	5,083	5,875
Total	\$ 12,292	\$ 17,195

The use of the facilities where the Gingerbread House operates was donated by Christus Health Northern Louisiana, d/b/a Christus Schumpert Health System, which owns the real property. Amounts have been recognized as revenues and expenses in the accompanying financial statements for the approximate fair market value of the donated facilities, \$62,592 for the years ended December 31, 2014 and 2013.

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Notes to the Financial Statements**

NOTE 5: FUNDRAISING ACTIVITIES

The Gingerbread House held fundraising luncheons with noted guest speakers as its annual fundraising events in 2014 and 2013.

The luncheon revenue and expenses for the year ended December 31, 2014, were as follows:

2014

Gross unrestricted revenue	\$ 108,803
Less: cost of direct benefit to donors – dinners	(10,744)
Total net unrestricted revenue from fundraising event	98,059
In-kind expenses	12,292
Other expenses	42,337
Total fundraising expenses	54,629
Net increase in unrestricted net assets from fundraising event	\$ 43,430

The luncheon revenue and expenses for the year ended December 31, 2013, were as follows:

2013

Gross unrestricted revenue	\$ 107,596
Less: cost of direct benefit to donors – dinners	(12,257)
Total net unrestricted revenue from fundraising event	95,339
In-kind expenses	17,195
Other expenses	7,282
Total fundraising expenses	24,477
Net increase in unrestricted net assets from fundraising event	\$ 70,862

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2014 and 2013, consist of unexpended foundation grant revenues and annual fundraiser sponsorships.



**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Notes to the Financial Statements**

NOTE 7: CONTINGENT LIABILITIES

The Gingerbread House receives grants 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.

NOTE 8: SUBSEQUENT EVENTS

The Gingerbread House had a \$30,000 line of credit with a bank at a variable interest rate of 3% over the Wall Street Journal Prime, collateralized by deposits with the lender, chattel paper, accounts, and general intangibles. The line of credit expired December 16, 2014. No draws were made on this line of credit in 2014. On March 4, 2015, the Gingerbread House renewed the line of credit through March 4, 2016. There have been no draws on this line of credit in 2015.

The Gingerbread House has evaluated all subsequent events through June 24, 2015, the date the financial statements were available to be issued.



**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Schedule of Findings and Responses**

Current Year Findings

None

Prior Year Findings

None

Supplemental Information

**Gingerbread House Bossier/Caddo
Children's Advocacy Center, Inc.
Schedule of Compensation, Benefits & Other Payments**

*Schedule of Compensation, Benefits and Other Payments to Agency Head or
Chief Executive Officer*

Year Ended: December 31, 2014

Agency Head Name: Jessica M. Miller, MA, MBA | Executive Director

Purpose	Amount
Salary	\$ 62,400
Bonus	\$ 1,500
Benefits - insurance	\$ 4,359
Benefits - retirement	\$ -
Benefits - other	\$ -
Car allowance	\$ -
Per diem	\$ -
Reimbursements	\$ -
Travel	\$ 680
Registration fees	\$ -
Conference travel	\$ -
Continuing professional education fees	\$ 960
Housing	\$ -