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February 6, 2018

Board of Directors
Haven House, Inc.
P.O. Box 508
Hammond, IN 46325

We have reviewed the report prepared by Haven House, Inc. and opined upon by McMahon & Associates CPAs, PC, Independent Public Accountants, for the period July 1, 2015 to June 30, 2016. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of Haven House, Inc. as of June 30, 2016 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, McMahon & Associates CPAs, PC prepared all required independent auditor's reports in accordance with generally accepted auditing standards and guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.


Paul D. Joyce, CPA
State Examiner

HAVEN HOUSE, INC.

AUDITED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED
JUNE 30, 2016

(With comparative totals for year ended June 30, 2015)

HAVEN HOUSE, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Haven House, Inc.
Hammond, Indiana

We have audited the accompanying financial statements of Haven House, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities, functional expenses and cash flows for the year 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.

Auditors' Responsibility

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. 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 auditors' 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 Haven House, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Haven House, Inc.'s 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 8, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.



McMahon and Associates Certified Public Accountants, P.C.
Munster, IN

October 3, 2016

HAVEN HOUSE, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2016

(With Comparative Totals for the Year Ended June 30, 2015)

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS:</u>		
Cash and cash equivalents	\$ 117,550	\$ 86,411
Investments	157,899	157,083
Grants receivable	18,343	60,192
Prepaid expenses	10,708	9,060
Total current assets	<u>304,500</u>	<u>312,746</u>
<u>FIXED ASSETS - NET</u>	<u>1,499,568</u>	<u>1,403,446</u>
<u>TOTAL ASSETS</u>	<u>\$ 1,804,068</u>	<u>\$ 1,716,192</u>

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES:</u>		
Accounts payable	\$ 10,988	\$ 2,820
Accrued payroll and payroll taxes	10,443	16,440
Total current liabilities	<u>21,431</u>	<u>19,260</u>
<u>NET ASSETS:</u>		
Unrestricted	991,375	855,317
Temporarily restricted	791,262	841,615
Total net assets	<u>1,782,637</u>	<u>1,696,932</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 1,804,068</u>	<u>\$ 1,716,192</u>

HAVEN HOUSE, INC.

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
<u>PUBLIC SUPPORT:</u>				
Contributions	\$ 96,890	\$ 0	\$ 96,890	\$ 81,705
In-kind contributions	191,129	0	191,129	100,305
Fundraising income	32,657	0	32,657	4,645
United Way	34,202	0	34,202	55,675
Total public support	<u>354,878</u>	<u>0</u>	<u>354,878</u>	<u>242,330</u>
<u>FEDERAL AWARDS:</u>				
Family Violence Prevention	35,633	0	35,633	35,029
Criminal Justice Institute	60,601	0	60,601	56,671
Social Services Block Grant	15,066	0	15,066	14,238
HUD - via City of East Chicago	13,784	0	13,784	5,976
HUD - via City of Hammond	50,000	0	50,000	37,397
Emergency Shelter Grant	12,737	0	12,737	12,042
Federal Emergency Management Agency	29,131	0	29,131	13,678
U.S. Department of Education	18,184	0	18,184	0
Total federal awards	<u>235,136</u>	<u>0</u>	<u>235,136</u>	<u>175,031</u>
<u>STATE AWARDS - Domestic Violence Prevention</u>	<u>57,416</u>	<u>0</u>	<u>57,416</u>	<u>67,530</u>
<u>PRIVATE GRANTS</u>	<u>71,942</u>	<u>0</u>	<u>71,942</u>	<u>70,600</u>
<u>RELEASE FROM RESTRICTIONS</u>	<u>50,353</u>	<u>(50,353)</u>	<u>0</u>	<u>0</u>
<u>TOTAL PUBLIC SUPPORT AND AWARDS</u>	<u>769,725</u>	<u>(50,353)</u>	<u>719,372</u>	<u>555,491</u>
<u>FUNCTIONAL EXPENSES:</u>				
Federal family violence prevention	58,406	0	58,406	73,317
State emergency shelter grant	22,530	0	22,530	25,046
Social services block grant	13,443	0	13,443	14,678
Indiana criminal justice institute	119,393	0	119,393	146,090
HUD City of East Chicago	46,762	0	46,762	52,693
HUD City of Hammond	81,437	0	81,437	84,299
Federal emergency management agency	31,616	0	31,616	35,413
Domestic violence treatment program	66,211	0	66,211	82,473
Private grants	40,704	0	40,704	45,781
Management and administrative	157,499	0	157,499	169,824
Total functional expenses	<u>638,001</u>	<u>0</u>	<u>638,001</u>	<u>729,614</u>
<u>OTHER REVENUE (EXPENSE):</u>				
Interest income	4	0	4	153
Loss on disposition of asset	0	0	0	(1,081)
Miscellaneous	275	0	275	20,030
Realized gains	1,219	0	1,219	1,889
Rent	2,560	0	2,560	3,000
Unrealized gains (losses)	276	0	276	(694)
Total other revenue (expense)	<u>4,334</u>	<u>0</u>	<u>4,334</u>	<u>23,297</u>
INCREASE (DECREASE) IN NET ASSETS	<u>136,058</u>	<u>(50,353)</u>	<u>85,705</u>	<u>(150,826)</u>
NET ASSETS - BEGINNING OF YEAR	<u>855,317</u>	<u>841,615</u>	<u>1,696,932</u>	<u>1,847,758</u>
<u>NET ASSETS - END OF YEAR</u>	<u>\$ 991,375</u>	<u>\$ 791,262</u>	<u>\$ 1,782,637</u>	<u>\$ 1,696,932</u>

See notes to the financial statements.

HAVEN HOUSE, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	Federal Family Violence Prevention	State Emergency Shelter Grant	Social Services Block Grant	Indiana Criminal Justice Institute	HUD City of East Chicago	HUD City of Hammond	Federal Emergency Management Agency	Domestic Violence Treatment Program	Private Grants	Total Program Services	Management and Administrative	2016 Total	2015 Total
EXPENSES:													
Salaries and wages	\$ 31,825	\$ 14,688	\$ 7,344	\$ 68,545	\$ 34,273	\$ 0	\$ 22,032	\$ 36,721	\$ 29,377	\$ 244,805	\$ 61,201	\$ 306,006	\$ 340,227
Payroll taxes	2,625	1,212	606	5,654	2,827	0	1,817	3,029	2,423	20,193	5,049	25,242	26,973
Employee benefits	4,927	2,274	1,137	10,613	5,306	0	3,411	5,685	4,548	37,901	9,477	47,378	64,784
Professional fees	0	0	0	0	0	0	0	0	0	0	10,159	10,159	11,745
Staff bonuses	0	0	0	0	0	0	0	0	0	0	1,640	1,640	1,275
Office expenses	0	0	0	0	0	3,555	0	0	0	3,555	6,602	10,157	13,058
Institutional supplies	0	0	0	0	0	63,471	0	0	0	63,471	0	63,471	66,086
Telephone	0	0	0	0	0	10,055	0	0	0	10,055	2,514	12,569	11,665
Depreciation	4,418	4,418	4,418	4,418	4,418	4,418	4,418	4,418	4,418	39,762	9,940	49,702	47,531
Dues and subscriptions	0	0	0	0	0	0	0	0	0	0	1,758	1,758	1,567
Rent expense	0	0	0	3,240	0	0	0	0	0	3,240	810	4,050	8,100
Repairs and maintenance	0	0	0	0	0	0	0	0	0	0	18,744	18,744	17,707
Insurance - general	0	0	0	0	0	0	0	0	0	0	21,363	21,363	14,097
Miscellaneous	0	0	0	0	0	0	0	0	0	0	4,518	4,518	10,868
Staff training	0	0	0	0	0	0	0	0	0	0	30	30	812
Utilities	0	0	0	11,496	0	0	0	0	0	11,496	1,718	13,214	13,408
Client assistance	11,179	0	0	10,830	0	0	0	12,926	0	34,935	0	34,935	44,886
Program expenses	3,494	0	0	4,659	0	0	0	3,494	0	11,647	1	11,648	32,389
Licenses and permits	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxes	(62)	(62)	(62)	(62)	(62)	(62)	(62)	(62)	(62)	(558)	(142)	(700)	963
Fundraising	0	0	0	0	0	0	0	0	0	0	2,117	2,117	1,473
TOTAL EXPENSES	\$ 58,406	\$ 22,530	\$ 13,443	\$ 119,393	\$ 46,762	\$ 81,437	\$ 31,616	\$ 66,211	\$ 40,704	\$ 480,502	\$ 157,499	\$ 638,001	\$ 729,614

HAVEN HOUSE, INC.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016
(With Comparative Totals for the Year Ended June 30, 2015)

	<u>2016</u>	<u>2015</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Revenues collected	\$ 761,221	\$ 561,441
Payments for expenses	(705,385)	(685,104)
Cash from investments	1,219	1,889
Miscellaneous	275	20,030
Interest income	4	153
Net cash provided (used) by operating activities	<u>57,334</u>	<u>(101,591)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Purchase of fixed assets	(25,824)	(10,864)
Sale of investments	803	1,325
Purchase of investments	(1,174)	(1,889)
Net cash used by investing activities	<u>(26,195)</u>	<u>(11,428)</u>
NET INCREASE (DECREASE) IN CASH	31,139	(113,019)
CASH AND CASH EQUIVALENTS - BEGINNING OF THE YEAR	<u>86,411</u>	<u>199,430</u>
<u>CASH AND CASH EQUIVALENTS - END OF YEAR</u>	<u>\$ 117,550</u>	<u>\$ 86,411</u>
<u>RECONCILIATION OF CHANGE IN NET ASSETS TO CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 85,705	\$ (150,826)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Add: Non-cash items		
Depreciation	49,702	47,531
Loss on disposition of asset	0	1,081
Gain on sale of investments	(169)	(638)
Unrealized (gain) loss on investments	(276)	694
In-kind donation for property	(120,000)	0
(Increase) decrease in assets:		
Grants receivable	41,849	5,950
Prepaid expenses	(1,648)	(2,755)
Increase (decrease) in liabilities:		
Accounts payable	8,168	(5,244)
Accrued payroll and payroll taxes	(5,997)	2,616
<u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>	<u>\$ 57,334</u>	<u>\$ (101,591)</u>
<u>SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION</u>		
Non cash investing and financing activities - donation of property	<u>\$ 120,000</u>	<u>\$ 0</u>

HAVEN HOUSE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - Haven House, Inc. (the Organization) was incorporated on June 26, 1987 to establish, maintain and operate an emergency shelter for victims of domestic violence, and to provide other necessary aid, counseling and educational services through various programs in Northwest Indiana. The Organization finances these activities through contributions (cash and in-kind), federal and state grants, and fundraisers.

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting, which is used for both income tax and financial reporting purposes.

Financial Statement Presentation - The Organization has adopted Financial Accounting Standards Board's Accounting Standards Codification (ASC) 958-205 which provides guidance to reporting on not-for-profit organizations. Under ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Contributions whose restrictions are met in the same period as the recognition of the contribution are considered unrestricted for reporting purposes. There were no permanently restricted net assets at June 30, 2016. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Use of Estimates in Preparation of Financial Statements - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates of revenues and expenses during the reporting period.

Cash and Cash Equivalents - Cash, as presented on the accompanying statement of financial position and statement of cash flows, includes cash on hand and deposits in interest bearing and non-interest bearing accounts in financial institutions. Cash equivalents consist of highly liquid accounts with original maturities of 90 days or less. Certificates of deposit and other securities with original maturities over 90 days are classified as short-term investments and stated at cost, which approximates market value.

Financial Instruments and Credit Risk - During the fiscal year ended June 30, 2016, the Organization occasionally had balances in financial institutions in excess of the Federal Deposit Insurance Corporations' (FDIC) insured level of \$250,000. At June 30, 2016 the Organization didn't have any deposits which were uninsured.

Investments - The Organization carries investments in marketable securities with readily determinable fair values at their fair values on the Statement of Financial Position. Unrealized gains and losses are included in the accompanying Statement of Activities.

HAVEN HOUSE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Grants Receivable - The Organization records bad debts on the direct write-off method when, in management's opinion, an account becomes uncollectible. The direct write-off method is a departure from generally accepted accounting principles. Bad debt expenses, calculated using the direct write-off method do not differ materially from those calculated using generally accepted methods. Government grants make up 68% of grants receivable at June 30, 2016. Government grants also make up 33% of total revenues for the fiscal year ended June 30, 2016.

Fixed Assets - Fixed assets are carried at cost, if purchased or fair market value, if donated. The Organization's policy is to capitalize fixed assets valued at \$500 or greater at the time of purchase or donation. Depreciation expense is computed using the straight-line method over the estimated useful life of the fixed assets. When fixed assets are retired or otherwise disposed of, the cost of related accumulated depreciation is removed from the accounts and any gain or loss resulting from the transactions is recognized as income for the period. The cost of repairs and maintenance is charged to income as incurred; significant renewals and betterments are capitalized.

Income Taxes - Haven House, Inc. is a not-for-profit corporation organized under the laws of the State of Indiana. The Internal Revenue Service has given the Organization a favorable determination under Section 501 (c) (3) of the Internal Revenue Code, exempting the Organization from taxation. In addition, the Organization is exempt from local property taxes.

Contributed (In-Kind) Materials - The Organization regularly receives contributions of items that are used to assist clients (clothing, food, school supplies, etc.) or are used in the operation of the shelter (cleaning supplies, bedding, office supplies, etc.). In-kind contributions are recognized as income at the estimated fair market value at the date of donation. These items are provided to clients or are consumed by the Organization relatively quickly, so no inventory is reported; rather, expenses are recorded on the Statement of Activities in the appropriate categories (client assistance, institutional supplies, etc.).

Contributed (In-Kind) Facilities - The Organization leased its primary (main office) facility from the City of Hammond, Indiana, for \$1 per year. Based on an estimate provided by a local realtor, the fair value of the building lease is \$675 per month (\$8,100 per year). The fair value has been recorded as an in-kind donation and a corresponding expense in the Statement of Activities. In January 2016 the City of Hammond donated this property to the Organization. Under the lease there were only 6 months of payments to record in-kind during this fiscal year totaling to \$4,050. The Organization also recorded as an in-kind donation the value of the donated land at \$30,000 and the value of the donated building at \$90,000 for a total in-kind donation of \$120,000.

HAVEN HOUSE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Contributed (In-Kind) Services - The Organization benefits from services provided by volunteers. Those services include staffing the crisis line, participation in children's activities, client intake, and counseling, among others. Certain volunteer services qualify to meet the matching requirements of grants received by the Organization. Volunteer services are valued at the rate of \$15 per hour donated. During the year ending June 30, 2016, the Organization used \$10,668 of volunteer services as grant matches. That amount has been reported in the financial statements as an in-kind donation and is included in client assistance expenses.

Allocation of Expenses - The Organization has allocated their expenses by function based on the time spent on supporting and program activities.

Comparative Financial Information - The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2015, from which the summarized information was derived.

Subsequent Events - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 3, 2016 the date the financial statements were available to be issued. No events were noted that were significant enough in nature to require disclosure.

NOTE 2 - FIXED ASSETS

Depreciation expense was \$49,702 for the year ended June 30, 2016.

Fixed assets consist of the following at June 30, 2016:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	\$ 51,200	\$ 0	\$ 51,200
Building	1,371,937	77,851	1,294,086
Building improvements	183,871	49,388	134,483
Furniture & equipment	81,937	62,138	19,799
Total	<u>\$ 1,688,945</u>	<u>\$ 189,377</u>	<u>\$ 1,499,568</u>

HAVEN HOUSE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 3 - LEASE

The Organization leased its primary (main office) facility from the city of Hammond, Indiana for \$1 per year. The lease has expired. The Organization purchased the property from the city of Hammond for \$1, plus additional legal costs totaling about \$746 in January 2016. See Note 1 for the in-kind donation part of the lease. Rent expense for the year ended June 30, 2016 is \$4,050.

NOTE 4 - UNRESTRICTED NET ASSETS

The Organization's Board of Directors has designated \$15,750 of its unrestricted net assets as emergency reserves. Following is a reconciliation of unrestricted net assets:

	<u>Undesignated</u>	<u>Board Designated</u>	<u>Total</u>
Net assets, beginning of year	\$ 830,620	\$ 24,697	\$ 855,317
Change in net assets	<u>145,005</u>	<u>(8,947)</u>	<u>136,058</u>
Total	<u>\$ 975,625</u>	<u>\$ 15,750</u>	<u>\$ 991,375</u>

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

The Organization has received authorization from the City of Hammond through a Community Development Block Grant from the U.S. Department of Housing and Urban Development (HUD) to expend funding for the Transitional Housing. Invoices for the project were submitted to the City and vendors were paid by the City. All funding from the City was used up in the fiscal year ended June 30, 2012. The total was \$841,615. HUD regulations require that the Transitional Housing building be used for its specified purpose for a period of seven years. Until this requirement is met the contribution from the City of Hammond will be recorded as temporarily restricted. The Transitional Housing building was placed into service in March 2014; therefore, the restriction ends in March 2021. At June 30, 2016 the book value of the donated portion of the building is \$791,262.

HAVEN HOUSE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 - INVESTMENTS

During the fiscal year ended June 30, 2013 the Organization received \$100,000 from an estate. There are no restrictions on how this money can be used. The following schedule summarizes the estate investment return and its classification in the Statement of Activities for the year ended June 30, 2016:

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	<u>Total</u>
Investment income	\$ 1,219	\$ 0	\$ 1,219
Unrealized gain	276	0	276
Total	<u>\$ 1,495</u>	<u>\$ 0</u>	<u>\$ 1,495</u>

The Organization has investments in cash, equities, and fixed income trust funds as outlined below at fair value:

Cash	\$ 5,187
Equities	16,746
Fixed Income	<u>32,828</u>
Total	<u>\$ 54,761</u>

The Organization paid \$803 in fees related to this investment. These fees are included in office expense on the Statement of Activities.

The Organization also has an investment in a CD valued at \$103,138 at June 30, 2016. The CD matures on November 6, 2016 and automatically renews for another year. The interest rate is 0.12%.

NOTE 7 - FAIR VALUE MEASUREMENTS

The Organization has adopted FASB ASC 820 which defines the fair value as the exchange price that would be received for an asset in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. ASC 820 established a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 - Quoted prices in active markets for identical assets.

Level 2 - Observable inputs other than quoted prices included in level 1, such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets.

HAVEN HOUSE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7 - FAIR VALUE MEASUREMENTS - (Continued)

The Organization's investments are required to be reported at fair value. Assets measured at fair value on a recurring basis as of June 30, 2016, are summarized below:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
CD Investment	\$ 103,138	\$ 0	\$ 0	\$ 103,138
Trust Investment	<u>54,761</u>	<u>0</u>	<u>0</u>	<u>54,761</u>
Total	<u>\$ 157,899</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 157,899</u>

NOTE 8 - FUNDRAISERS

The Organization held a number of small fundraisers during the year and two major fundraisers; Taste of the Holiday and the Radiothon. The revenues and expenses from the fundraisers are recorded on the Statement of Activities as unrestricted fundraising income and expenses. The Organization recorded \$32,657 in fundraiser revenue and \$2,117 in fundraiser expenses.

NOTE 9 - INCOME TAX UNCERTAINTIES

The Organization has adopted the provisions of ASC 740-10-25, which requires an organization to disclose any income tax uncertainties, including tax positions for which it is reasonably possible that the unrecognized tax benefit will significantly change in the next 12 months. The Organization believes that all income tax positions are reasonable and that the total amounts of unrecognized tax benefits will not significantly increase or decrease within 12 months of the reporting date. As a non-profit organization, the entity is exempt from income taxes. The Organization did not recognize any income tax interest or penalties during the fiscal year ended June 30, 2016. In general, the Organization is no longer subject to examination for the years prior to 2014.