

**RAPE CRISIS AND ABUSE CENTER
OF HAMILTON COUNTY,
dba WOMEN HELPING WOMEN**

AUDIT REPORT

DECEMBER 31, 2008



*CPA's Audit Report
and Financial Statements*

**RAPE CRISIS AND ABUSE CENTER OF HAMILTON COUNTY,
dba WOMEN HELPING WOMEN**

2008 AUDIT REPORT

TABLE OF CONTENTS

	<u>Page</u>
Independent CPA's Report on Financial Statements	1
Financial Statements:	
Statements of Financial Position	2
Statements of Activities	3
Statements of Functional Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6 – 10
Accompanying Information:	
Schedule of Findings and Questioned Costs	11
Report on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements performed in accordance with <i>Generally Accepted Government Accounting Standards</i> ("GAGAS").	12 – 13



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**Independent CPA's Report
on Financial Statements**

Board of Trustees
Rape Crisis and Abuse Center of Hamilton County,
dba Women Helping Women
Cincinnati, Ohio

We have audited the accompanying statements of financial position of Rape Crisis and Abuse Center of Hamilton County, dba Women Helping Women ("the Agency") (a nonprofit organization) as of December 31, 2008 and 2007 and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with United States generally accepted auditing standards ("U.S. GAAS") and the standards applicable to financial audits contained in *Generally Accepted Government Auditing Standards* ("GAGAS"), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rape Crisis and Abuse Center of Hamilton County, dba Women Helping Women as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with United States generally accepted accounting principles ("U.S. GAAP").

In accordance with *GAGAS*, we have also issued our report dated March 31, 2009 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 *GAGAS*, and should be considered in assessing the results of our financial statement audit.

Hennekes CPA Services

March 31, 2009

**RAPE CRISIS AND ABUSE CENTER OF HAMILTON COUNTY,
dba WOMEN HELPING WOMEN**

STATEMENTS OF FINANCIAL POSITION

December 31, 2008 and 2007

	2008	2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 142,997	\$ 207,469
Grants and accounts receivable	184,671	229,246
Prepaid expenses	19,654	17,296
Total current assets	347,322	454,011
Long-term assets:		
Investments	161,806	220,699
Property and equipment - net	23,463	30,702
Deposits	1,094	1,094
Total long-term assets	186,363	252,495
Total Assets	\$ 533,685	\$ 706,506
 LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 21,568	\$ 38,867
Accrued expenses and other liabilities	51,006	46,115
Deferred government revenues	11,621	161
Total Liabilities	84,195	85,143
Net Assets:		
Unrestricted	263,776	438,751
Temporarily restricted	135,714	132,612
Permanently restricted	50,000	50,000
Total Net Assets	449,490	621,363
Total Liabilities and Net Assets	\$ 533,685	\$ 706,506

The accompanying notes are an integral part of these financial statements

**RAPE CRISIS AND ABUSE CENTER OF HAMILTON COUNTY,
dba WOMEN HELPING WOMEN**

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2008 and 2007

	2008				2007			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support and revenues:								
Private grants and allocations	\$ 62,771	\$ 125,960	\$ -	\$ 188,731	\$ 68,857	\$ 124,612	\$ -	\$ 193,469
Government grants	317,803			317,803	348,576			348,576
Contributions	156,772			156,772	402,288			402,288
Special events	115,694	9,828		125,522	91,274	8,000		99,274
Program services fees	21,181			21,181	22,530			22,530
Investment earnings (losses), net	(64,556)			(64,556)	13,122			13,122
Other income	5,757			5,757	2,043			2,043
Release of restricted contributions	132,686	(132,686)		-	131,693	(131,693)		-
Total revenues	748,108	3,102	-	751,210	1,080,383	919	-	1,081,302
Expenses:								
Program services	685,356			685,356	709,661			709,661
Fundraising	97,866			97,866	115,802			115,802
Management and general	139,861			139,861	84,405			84,405
Total expenses	923,083	-	-	923,083	909,868	-	-	909,868
Incr (decr) in net assets	(174,975)	3,102	-	(171,873)	170,515	919	-	171,434
Net assets:								
Beginning of year	438,751	132,612	50,000	621,363	268,236	131,693	50,000	449,929
End of year	\$ 263,776	\$ 135,714	\$ 50,000	\$ 449,490	\$ 438,751	\$ 132,612	\$ 50,000	\$ 621,363

The accompanying notes are an integral part of these financial statements

**RAPE CRISIS AND ABUSE CENTER OF HAMILTON COUNTY,
dba WOMEN HELPING WOMEN**

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2008 and 2007

	2008				2007			
	Program	Fund Raising	Management & General	Total Expenses	Program	Fund Raising	Management & General	Total Expenses
Salaries and wages	\$ 398,981	\$ 32,952	\$ 90,904	\$ 522,837	\$ 431,767	\$ 69,108	\$ 47,974	\$ 548,849
Employee benefits	41,330	664	8,598	50,592	50,553	10,681	5,656	66,890
Payroll taxes	35,222	2,809	6,542	44,573	38,507	5,793	4,410	48,710
Temporary contract labor	2,325	-	11,302	13,627	3,829	455	2,016	6,300
Total salaries and related	477,858	36,425	117,346	631,629	524,656	86,037	60,056	670,749
Occupancy	81,662	3,709	8,942	94,313	80,115	-	8,901	89,016
Professional fees	50,075	24,536	2,748	77,359	27,204	11,446	750	39,400
Telephone	20,345	875	1,658	22,878	17,026	1,788	1,608	20,422
Special event expenses	-	17,179	-	17,179	-	12,159	-	12,159
Equipment expense and repairs	9,057	4,557	1,254	14,868	7,799	963	866	9,628
Supplies and other office expenses	9,653	879	1,783	12,315	9,793	1,360	2,448	13,601
Travel, meals and entertainment	9,283	150	724	10,157	6,825	435	1,706	8,966
Printing and publications	5,760	3,272	525	9,557	7,071	-	1,768	8,839
Insurance	6,680	-	682	7,362	6,132	-	682	6,814
Postage and shipping	2,337	2,246	822	5,405	6,766	-	1,691	8,457
Conferences, meetings, education	1,575	-	594	2,169	3,295	135	351	3,781
Membership dues	1,364	-	250	1,614	885	255	295	1,435
Direct mail costs	-	570	-	570	-	1,224	-	1,224
Depreciation	7,020	80	858	7,958	7,643	-	849	8,492
Miscellaneous	2,687	3,388	1,675	7,750	4,451	-	2,434	6,885
Total expenses	\$ 685,356	\$ 97,866	\$ 139,861	\$ 923,083	\$ 709,661	\$ 115,802	\$ 84,405	\$ 909,868
Percent of total expenses	74.2%	10.6%	15.2%	100.0%	78.0%	12.7%	9.3%	100.0%

The accompanying notes are an integral part of these financial statements

**RAPE CRISIS AND ABUSE CENTER OF HAMILTON COUNTY,
dba WOMEN HELPING WOMEN**

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2008 and 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (171,873)	\$ 171,434
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	7,958	8,492
Donated investment securities	(5,973)	-
Realized (gains) losses on investments, net	-	1,312
Unrealized (gains) losses on investments, net	82,984	1,713
(Increase) decrease in:		
Grants and accounts receivable	44,575	(32,705)
Prepaid expenses and other assets	(2,358)	(3,697)
Increase (decrease) in:		
Accounts payable	(17,299)	28,591
Accrued expenses	4,891	1,544
Deferred revenue	11,460	(8,336)
	(45,635)	168,348
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(719)	(6,768)
Proceeds from sale of investments	100,000	60,652
Purchases of investments	(118,118)	(174,836)
	(18,837)	(120,952)
	(64,472)	47,396
Cash and cash equivalents:		
Beginning of year	207,469	160,073
End of year	\$ 142,997	\$ 207,469
Supplemental Cash Flow Disclosures:		
Non cash operating and investing activities:		
Purchase of investments through receipt of in-kind stock donation	\$ 5,973	\$ -

The accompanying notes are an integral part of these financial statements

**RAPE CRISIS AND ABUSE CENTER OF HAMILTON COUNTY,
dba WOMEN HELPING WOMEN**

NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

Nature of Operations

Rape Crisis and Abuse Center of Hamilton County, dba Women Helping Women (“the Agency”) is an Ohio NonProfit corporation located in Cincinnati, Ohio. In 2007, Rape Crisis and Abuse Center of Hamilton County began using the name Women Helping Women. Its mission, to serve Southwestern Ohio as a unique provider of crisis intervention and support services for direct and indirect victims of sexual assault, domestic violence and stalking and to take a leading role in educating the community to promote awareness and help to prevent these types of abuses, did not change.

Income Taxes

The Agency is considered a tax exempt NonProfit entity under Section 501(c)(3) of the Internal Revenue Code. As such, it is exempt from federal, state and local income taxes. The Agency is not a private foundation.

Financial Statement Presentation

The financial statements have been prepared using the accrual basis of accounting pursuant to United States Generally Accepted Accounting Principles (“U.S. GAAP”). Accordingly, support and revenue are recognized when earned and expenses are recognized when the obligation is incurred.

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets of the Agency and changes therein are classified and reported as follows:

- Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations and may be utilized at the discretion of the Board of Trustees. Temporarily restricted net assets that are received and reclassified to unrestricted net assets within the same fiscal year are presented as unrestricted net assets in the financial statements.
- Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Agency satisfying the purpose or the passage of time. 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 and reported in the Statement of Activities as net assets released from restrictions.
- Permanently restricted net assets - Net assets for which the principal must be maintained in perpetuity and the income may be spent according to the instructions of the donor, if any. Permanently restricted net assets were \$50,000 as of December 31, 2008 and 2007.

Recognition of Donations

The Agency is funded mainly through government grants, private grants and contributions. The Agency records gifts of cash and other assets at their fair market value as of the date of contribution. Such donations are recorded as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted revenue. Absent explicit donor stipulations, the Agency reports expirations of donor restrictions when the donated or long-lived assets are placed in service.

The Agency records donated services as revenues in the period received only if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. See Note 7.

Functional Expenses

Expenses are charged directly to program services, administrative and/or fund raising based on the nature of the costs as they are incurred. Certain overhead expenses are allocated to these functions based on management estimates and rational methodologies.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid debt instruments with maturities of three months or less and available for operating purposes. The Agency maintains its bank deposit accounts which, at times, exceed federally insured limits. The Agency has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. On October 3, 2008, the general FDIC deposit insurance limit was temporarily increased from \$100,000 to \$250,000 through December 31, 2009.

Accounts Receivable

The Agency grants credit on open account to various sources, primarily governmental agencies. The Agency has not sustained any significant losses from its accounts receivable and management believes the Agency is not adversely affected by credit risk on its accounts receivable. Accounts receivable are due within one year.

Investments

Investments are reported at fair market value and consist of equity mutual funds, pooled investments and money market accounts. Investments earnings are reported net of investment expenses. The Agency typically immediately sells any donated securities and transfers the sale proceeds into its investment accounts.

Property and Equipment

Property and equipment are recorded at cost, or if donated at fair market value when received. Depreciation on buildings and equipment is provided using the straight-line method over the following estimated useful lives:

	<u>Useful Life (years)</u>
Furniture, fixtures and equipment	5 to 7
Computer hardware and software	5

The cost of maintenance and repairs is charged to expense as incurred. Significant renewals and major improvements extending an asset's useful life are capitalized. When property is sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized as income or expense for the period.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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.

(2) Investments

Investments are as follows as of December 31, 2008 and 2007:

December 31, 2008:	Market Value	Cost	Unrealized gain (loss)
Equity mutual funds	\$ 137,569	\$ 205,036	\$ (67,467)
Pooled investments held by Greater Cincinnati Foundation	6,729	6,216	513
Common stock	6,058	5,973	85
Money market funds	11,450	10,476	974
Total investments - 12/31/2008	<u>\$ 161,806</u>	<u>\$ 227,701</u>	<u>\$ (65,895)</u>
December 31, 2007:	Market Value	Cost	Unrealized gain (loss)
Equity mutual funds	\$ 109,085	\$ 96,500	\$ 12,585
Pooled investments held by Greater Cincinnati Foundation	9,270	6,079	3,191
Money market funds	102,344	101,031	1,313
Total investments - 12/31/2007	<u>\$ 220,699</u>	<u>\$ 203,610</u>	<u>\$ 17,089</u>

Investment earnings are as follows during 2008 and 2007:

	2008	2007
Interest and dividends	\$ 18,428	\$ 17,907
Realized gains (losses) on investments, net	-	(1,312)
Unrealized gains (losses) on investments, net	(82,984)	(1,713)
Gross investment earnings	(64,556)	14,882
Bank charges	-	(1,760)
Investment earnings, net	<u>\$ (64,556)</u>	<u>\$ 13,122</u>

(3) Property and Equipment

Property and equipment at December 31, 2008 and 2007, respectively, consist of the following:

	2008	2007
Office furniture, fixtures and equipment	\$ 38,851	\$ 40,015
Computer hardware and software	34,682	50,003
Total - at cost	73,533	90,018
Less: accumulated depreciation	(50,070)	(59,316)
Property and equipment, net	<u>\$ 23,463</u>	<u>\$ 30,702</u>

Depreciation expense was \$7,958 and \$8,492 for the years ended December 31, 2008 and 2007, respectively.

(4) Temporarily Restricted Net Assets

Temporarily restricted net assets are as follows as of December 31, 2008 and 2007:

	2008	2007
United Way allocation for subsequent year	\$ 121,030	\$ 123,000
Spring Event for next year	3,597	1,000
Safety Plan	4,930	-
Sunday Salons for subsequent year	5,778	8,000
Children witness program (from Target Corp.)	207	440
Miscellaneous other restrictions	172	172
Total	<u>\$ 135,714</u>	<u>\$ 132,612</u>

(5) Subleasing Activity

The Agency subleases a portion of their leased office space (Note 6) on a month-to-month basis to Better Housing League pursuant to an agreement dated September 30, 2007. Under the terms of the agreement, the Agency receives a monthly payment of \$455, which entitles the sub-lessee to occupancy of two offices and shared usage of telephone services, the internet and facsimile equipment. Subleasing income was \$5,460 and \$1,593 for the years ending December 31, 2008 and 2007, respectively.

(6) Lease Agreement

The Agency leases office space under a lease expiring November 30, 2013. Monthly payments under this lease include inflationary increases in future years. In September 2007, the Agency entered into a 5-year lease for a copier. Total lease expense was \$81,466 and \$76,175 during 2008 and 2007, respectively. Future minimum lease payments under all operating leases having an initial non-cancelable term in excess of one year are as follows:

	<u>Office Space</u>	<u>Copier</u>	<u>Total</u>
2009	75,942	5,148	81,090
2010	78,528	5,148	83,676
2011	81,119	5,148	86,267
2012	83,700	3,432	87,132
2013	78,903		78,903
Thereafter	-	-	-
	<u>\$ 398,192</u>	<u>\$ 18,876</u>	<u>\$ 417,068</u>

(7) In-Kind Contributions

The Agency has volunteers who have donated significant amounts of time to the Agency's programs and operations. The Agency has not recorded these donated services as there is no objective basis by which to measure such services. Total volunteer hours during 2008 and 2007 were:

	<u>2008</u>	<u>2007</u>
Total direct service hours	3,960	6,469
Total administrative and fundraising hours	3,678	2,046
Total volunteer hours	<u>7,638</u>	<u>8,515</u>

(8) Retirement Plan

The Agency has maintained a Simplified Employee Pension ("SEP") Plan through Trans-America Co. Employer contributions are discretionary. The Agency made no contributions to the SEP Plan during the years ending December 31, 2008 and 2007.

The Agency also maintains a tax-deferred retirement plan as per the Internal Revenue Code section 403(b). The 403(b) Plan covers substantially all full-time employees and provides for both employer and employee contributions. Horan Securities administers and is the custodian of the retirement assets. The Agency makes matching contributions of 50% of the first 6% of salary contributed by employees. Total Agency contributions (expenses) were \$1,217 and \$3,137 during 2008 and 2007, respectively.

(9) Grantor Concentrations

The Agency received 27% and 20% of its total revenues from the City of Cincinnati during the years ending December 31, 2008 and 2007, respectively. Additionally, the Agency received 16% and 11% of its total revenues from United Way of Greater Cincinnati during the years ending December 31, 2008 and 2007, respectively. Management believes neither of these concentrations will adversely affect the Agency.

**RAPE CRISIS AND ABUSE CENTER OF HAMILTON COUNTY,
dba WOMEN HELPING WOMEN**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2008

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unqualified

Internal control over financial reporting:

- | | | | | | | |
|---|-------|-----|-------|---|-------|----|
| • Material weakness(es) identified? | _____ | Yes | _____ | x | _____ | No |
| • Control deficiency(ies) identified that are not considered to be material weaknesses? | _____ | Yes | _____ | x | _____ | No |
| • Noncompliance material to financial statements noted? | _____ | Yes | _____ | x | _____ | No |

Section II - Financial Statement Findings

Current year:

No findings.

Prior year:

No findings.



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**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***

Board of Trustees
Rape Crisis and Abuse Center of Hamilton County,
dba Women Helping Women
Cincinnati, OH

We have audited the financial statements of Rape Crisis and Abuse Center of Hamilton County, dba Women Helping Women (“the Agency”) (a nonprofit organization) as of and for the year ended December 31, 2008, and have issued our report thereon dated March 31, 2009. 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 Agency’s internal control over financial reporting as a basis for designing 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 Agency’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency’s internal control over financial reporting.

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 organization’s internal control.

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 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 internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 management, the audit committee, the Board of Trustees, 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.

Hennekes CPA Services

March 31, 2009