

NOA'S ARK, INC.  
Audit Report  
For the Period  
January 1, 2012 – December 31, 2012

*Bull & Bull CPAs PC  
Gainesville, Georgia*

NOA'S ARK, INC.  
AUDIT REPORT  
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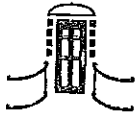
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**Bull & Bull, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

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### Independent Auditor's Report

Board of Directors  
NOA's Ark, Inc.  
Dahlonega, Georgia

We have audited the accompanying statement of financial position of NOA's (No One's Alone) Ark, Inc. (a nonprofit organization) as of December 31, 2012, 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 United States generally accepted auditing standards 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 the 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 NOA's Ark, Inc. as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with United States generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 30, 2013, on our consideration of NOA's Ark, Inc.'s internal control over financial reporting and 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 *Government Auditing Standards* and important for assessing the results of our audit.

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The information listed as supporting schedules and statistical information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of NOA's Ark, Inc. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, the information is fairly presented in all material respects in relation to the financial statement taken as a whole.

*Dary J. Bull*

Bull and Bull CPAs, PC

May 30, 2013

NOA'S ARK, INC.  
Statement of Financial Position  
December, 31 2012

ASSETS

CURRENT ASSETS

Cash	\$ 208,865
Savings - Certificates of Deposits	46,998
Accounts Receivable - State Contracts (Note 4)	84,931
Accounts Receivable - Other	7,866
Inventory (Note 10)	<u>12,938</u>
Total Current Assets	<u>\$ 361,598</u>

FIXED ASSETS

Land & Building (New Shelter)	\$ 266,547
Furniture and Equipment, net (Note 5)	<u>26,394</u>
Total Fixed Assets	<u>\$ 292,941</u>

OTHER ASSETS

Utility Deposits	<u>\$ 2,045</u>
Total Other Assets	<u>\$ 2,045</u>
TOTAL ASSETS	<u>\$ 656,583</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Current Portion of Note Payable (Note 2)	\$ 148,668
Payroll Taxes Payable	3,674
Sales Tax Payable	<u>471</u>
Total Current Liabilities	<u>\$ 152,813</u>

LONG-TERM DEBT LIABILITIES

Notes Payable (less current portion) (Note 2)	<u>\$ -</u>
Total Long-Term Debt Liabilities	<u>\$ -</u>

NET ASSETS

Unrestricted	\$ 503,770
Restricted - Temporarily	-
Restricted - Permanent	<u>-</u>
Total Net Assets	<u>\$ 503,770</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 656,583</u>
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See accompanying notes to financial statements.

NOA'S ARK, INC.  
Statement of Activities  
For the Year Ended December 31, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>PUBLIC SUPPORT REVENUES AND RECLASSIFICATIONS:</b>				
Grants (Note 3)	\$ 511,025	\$ -	\$ -	\$ 511,025
Donations	61,333	-	-	61,333
Private Grants	71,463	-	-	71,463
Fundraising Banquet (net)	43,232	-	-	43,232
Other Fundraising Revenue (net)	42,320	-	-	42,320
Interest Income	588	-	-	588
Miscellaneous Income	225	-	-	225
	<u>730,186.00</u>	<u>-</u>	<u>-</u>	<u>730,186</u>
Total Public Support, Revenue, & Reclassifications				
<b>EXPENSES:</b>				
Program Services				
Shelter Operations	\$ 606,609	\$ -	\$ -	\$ 606,609
Benefits Paid to or for Clients	46,158	-	-	46,158
	<u>652,767</u>	<u>-</u>	<u>-</u>	<u>652,767</u>
Total Programs				-
Administration	53,751	-	-	53,751
Fundraising	7,850	-	-	7,850
	<u>714,368</u>	<u>-</u>	<u>-</u>	<u>714,368</u>
Total Expenses				
Change in Net Assets - FY 11	15,818	-	-	15,818
	<u>487,952</u>	<u>-</u>	<u>-</u>	<u>487,952</u>
NET ASSETS AS OF BEGINNING OF YEAR				
NET ASSETS AS OF END OF YEAR	<u>\$ 503,770</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 503,770</u>

See accompanying notes to financial statements.

NOA'S ARK, INC.  
Statement of Cash Flows  
For the Fiscal Year Ended December 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 15,818
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	10,744
Increase in receivables	(6,206)
Increase in Inventory	(2,213)
Increase in accounts payable	3,590
Net cash provided by operating activities	21,733
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income on investments	(588)
Return of certificates of Deposit	88,910
Capital expenditures	(41,583)
Purchase of Equipment and software	(9,675)
Net cash provided by investing activities	37,064
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal Payments on note	(3,730)
Net cash used by financing activities	(3,730)
NET INCREASE IN CASH AND CASH EQUIVALENTS	55,067
BEGINNING CASH AND CASH EQUIVALENTS	153,798
ENDING CASH AND CASH EQUIVALENTS	\$ 208,865

See accompanying notes to financial statements.

NOA'S ARK, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended December 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

NOA'S Ark, Inc. is a non-profit corporation chartered under the laws of the state of Georgia. The primary purpose of the organization is to operate as a full service shelter providing assistance to battered and abused women and their children. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting

The financial statements of the agency have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, 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.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

If an expenditure results in an asset having an estimated useful life that extends beyond the year of acquisition, the expenditure is capitalized. Buildings and equipment are recorded at cost if purchased or fair market value if contributed. Depreciation expense is computed using straight-line method. Depreciation expense for the year was \$10,744.



NOA'S ARK, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended December 31, 2012

Income Taxes

The organization has been determined to be exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 2 - LONG TERM DEBT

Long-Term debt consists of the following:

Bank note payable at \$968 per month for four years from August 10, 2009 until maturity at August 21, 2013 with a final payment due at that time of \$147,549. The stated interest rate is fixed at 5.25% until maturity. The note is collateralized by the land and building purchased in August, 2009.

Balance December 31, 2012	\$148,668
Less amount due within one year	<u>(148,668)</u>
Long term balance	<u>\$ -0-</u>

Maturities of long-term debt are as follows:

2013	<u>\$ 148,668</u>
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NOA'S ARK, INC.  
 NOTES TO FINANCIAL STATEMENTS  
 For the Fiscal Year Ended December 31, 2012

NOTE 3 – GRANTS

Grant funds were received from various sources from FY12 as follows:

<u>Name of Agency</u>	<u>Program or Contact #</u>	<u>Amount</u>
GOCF (FVP & TANF)	DV 12-025	\$ 259,767
OVW	Safe Exchange	1,020
Criminal Justice Coordinating Council	VOCA	69,095
Ga Dept of Community Affairs	Emergency Shelter Grant	9,539
DHS	Promoting Safe and Stable Families	67,247
Administrative Office of the Courts	Legal Assistance to Families	5,710
Criminal Justice Coordinating Council	VAWA-Legal	15,799
Criminal Justice Coordinating Council	VAWA W10-8-043	<u>82,848</u>
 Total		 <u><u>\$ 511,025</u></u>

NOTE 4 - ACCOUNTS RECEIVABLE - STATE CONTRACTS

As of December 31, 2012, NOA's Ark had outstanding receivable from state grants as follows:

<u>Grants</u>	<u>Amount</u>
GOCF DV12-025	\$ 50,541.00
VAWA Contracts	7,409.00
DHS – PSSF Grant	11,940.00
VOCA Contract	<u>15,041.00</u>
 Total	 <u><u>\$ 84,931.00</u></u>

These amounts were received in January and February, 2013.

NOA'S ARK, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended December 31, 2012

NOTE 5 - FURNITURE AND EQUIPMENT

The following is a summary of furniture and equipment as of December 31, 2012.

Furniture and equipment	\$ 104,840
Less accumulated depreciation	<u>( 78,446)</u>
Total	<u>\$ 26,394</u>

NOTE 6 - DONATED SERVICES

The agency receives a significant amount of donated services from unpaid volunteers who assist in fundraising and special projects. No amounts have been recognized in the statement of activities because the criteria for recognition under SFAS No. 116 have not been satisfied.

NOTE 7 - FUNCTIONAL ALLOCATION OF EXPENSES

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

NOTE 8 - CASH AND CASH EQUIVALENTS

The agency considers all highly liquid investments with a maturity of six months or less when purchased to be cash equivalents.

At December 31, 2012, the carrying amount of the agency's deposits was \$208,865 and the bank balance was \$228,691.

NOA'S ARK, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended December 31, 2012

NOTE 8 – CASH AND CASH EQUIVALENTS (CONTINUED)

It is the agency's policy for deposits to be 100% secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The deposits are categorized to give an indication of the level of risk assumed the agency at December 31, 2012. The categories are described as follows:

- Category 1: Insured and collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2: Collateralized with securities held by pledging financial institution's trust department or agent in the entity's name.
- Category 3: Uncollateralized.

Deposits, categorized by level of risk, are:

Category 1	\$ 208,865
Category 2	0
Category 3	<u>0</u>
Total	<u>\$ 208,865</u>

The December 31 balance includes an amount of \$202,960 in interest-bearing checking accounts.

The balance of \$5,905 is invested in a certificate of deposit paying interest as shown in note 9.

NOA'S ARK, INC.  
NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended December 31, 2012

NOTE 9 - SAVINGS - CERTIFICATES OF DEPOSITS

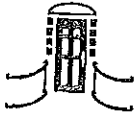
In addition to the CD described in Note 8 and considered to be cash equivalents, the agency had one other CD totaling \$46,998 at December 31 to give a total of \$52,903 in the two CD's as follows:

<u>Maturity Date</u>	<u>Term</u>	<u>Interest Rate</u>	<u>Amount at Dec 31<sup>st</sup></u>
6-22-2013	06 months	0.10%	\$ 5,905
11-13-2013	12 months	0.400%	<u>46,998</u>
			<u>\$ 52,903</u>

The certificates were insured by the FDIC and thus were a category 1 level risk as described in Note 8.

NOTE 10 - INVENTORY

The inventory is from donated clothing and household items and is sold at the agency's thrift store. Inventory has been recorded at estimated fair market value. All profit from the thrift store operation is to be used to help fund the shelter.



**Bull & Bull, P.C.**  
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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

NOA'S ARK, INC.  
Dahlonega, Georgia

We have audited the financial statements of NOA's Ark, Inc., (a nonprofit organization) as of and for the year ended December 31, 2012, and have issued our report thereon dated May 30, 2013. 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 NOA's Ark, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NOA's Ark Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

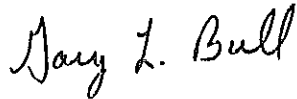
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our conclusion of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, 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 NOA's Ark, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, and the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.



Gary L. Bull, CPA  
Gainesville, GA  
May 30, 2013

NOA'S ARK, INC.  
 Schedule of State Contractual Assistance  
 For the Year Ended December 31, 2012

Program Name and Contract Number	Revenues	Expenditures	Year-End Receivable (Payable)
1. Family Violence Prevention Program Contract GOCF DV12-025	\$ 259,767.00	\$ 259,767.00	\$ 50,541.00
2. OVW Grant Safe Exchange	1,020	1,020	0
3. Legal Assistance Project Judicial Council of Georgia	5,710	5,710	0
4. VOCA Grant Criminal Justice Coordinating Council	69,095	69,095	15,041
5. Emergency Shelter Grant Department of Community Affairs	9,539	9,539	0
6. VAWA Grants Criminal Justice Coordinating Council	98,647	98,647	7,409
7. Promoting Safe and Stable Families	<u>67,247</u>	<u>67,247</u>	<u>11,940</u>
	<u>\$ 511,025</u>	<u>\$ 511,025</u>	<u>\$ 84,931</u>