

**HAITI MISSION, INC.**  
**(A Not-for-Profit Corporation)**

**AUDITED FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2009**

**HAITI MISSION, INC.**

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# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Haiti Mission, Inc.  
Thibodaux, LA

We have audited the accompanying Statement of Financial Position of Haiti Mission, Inc., as of and for the year ended September 31, 2009, and the related Statements of Activities, Functional Expenses and Cash Flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Haiti Mission, Inc. as of September 30, 2009, and the changes in net assets and cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Stagni & Company*

Thibodaux, LA  
February 19, 2010

**HAITI MISSION, INC.**  
*Statement of Financial Position*  
September 30, 2009

**Assets**

Current Assets:			
Cash and cash equivalents	\$	24,748	
Judgement Receivable		12,561	
Total Current Assets		12,561	\$ 37,309
Noncurrent Assets:			
Property and Equipment		117,514	
Less: Accumulated Depreciation		78,548	
Total Noncurrent Assets		38,966	38,966
TOTAL ASSETS			\$ 76,275

**LIABILITIES AND NET ASSETS**

Current Liabilities:			
Loans Payable	\$	51,799	
Total Current Liabilities		51,799	\$ 51,799
Net Assets:			
Permanently Restricted			26,450
Unrestricted			(1,974)
Total Net Assets			24,476
TOTAL LIABILITIES AND NET ASSETS			\$ 76,275

See notes to the financial statements.

**HAITI MISSION, INC.**  
*Statement of Activities*  
For the Year Ended September 30, 2009

	Unrestricted	Permanently Restricted	Total
<b>REVENUE AND OTHER SUPPORT</b>			
Donations	\$ 175,084	\$ 96,309	\$ 271,393
Interest	674	-	674
<b>TOTAL REVENUE AND OTHER SUPPORT</b>	<u>\$ 175,758</u>	<u>\$ 96,309</u>	<u>\$ 272,067</u>
<b>EXPENSES</b>			
Program Services:			
Agriculture	10,270	5,570	15,840
Building Fund	100,604	30,425	131,029
Disaster Relief	16,720	1,280	18,000
Education	-	17,215	17,215
Family Health & Homes	-	25,620	25,620
Humanitarian	77,228	-	77,228
Water Wells	43,458	34,662	78,120
<b>Total Program Services</b>	<u>248,280</u>	<u>114,772</u>	<u>363,052</u>
Support services:			
Management and general	16,695	-	16,695
<b>TOTAL EXPENSES</b>	<u>264,975</u>	<u>114,772</u>	<u>379,747</u>
<b>CHANGE IN NET ASSETS</b>	(89,217)	(18,463)	(107,680)
<b>NET ASSETS, BEGINNING OF YEAR</b>	87,243	44,913	132,156
<b>NET ASSETS (DEFICIT), END OF YEAR</b>	<u>\$ (1,974)</u>	<u>\$ 26,450</u>	<u>\$ 24,476</u>

See notes to the financial statements.

**HAITI MISSION, INC.**

Statement of Functional Expenses  
For the Year Ended September 30, 2009

	PROGRAM SERVICES							SUPPORT SERVICES	Total
	Agriculture	Building Fund	Disaster Relief	Education	Family Health & Homes	Humanitarian	Water Wells		
Humanitarian Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,228	\$ -	\$ -	\$ 77,228
Family Donations	-	-	-	-	9,525	-	-	-	9,525
Supplies	-	-	18,000	1,045	12,555	-	-	6,279	37,879
Teacher Salaries	-	-	-	16,170	-	-	-	-	16,170
Material & Labor	-	131,029	-	-	-	-	57,752	-	188,781
Livestock Feed & Labor	15,340	-	-	-	-	-	-	-	15,340
Medical	-	-	-	-	3,540	-	-	-	3,540
Advertising	-	-	-	-	-	-	-	3,411	3,411
Bank Charges	-	-	-	-	-	-	-	308	308
Custom Fees	-	-	-	-	-	-	-	20	20
Depreciation	-	-	-	-	-	-	19,948	-	19,948
Insurance	-	-	-	-	-	-	-	1,279	1,279
Legal & Professional	-	-	-	-	-	-	-	1,610	1,610
Licenses	-	-	-	-	-	-	-	5	5
Rent	-	-	-	-	-	-	-	400	400
Shipping	500	-	-	-	-	-	420	1,603	2,523
Travel	-	-	-	-	-	-	-	1,780	1,780
<b>TOTAL</b>	<b>\$ 15,840</b>	<b>\$ 131,029</b>	<b>\$ 18,000</b>	<b>\$ 17,215</b>	<b>\$ 25,620</b>	<b>\$ 77,228</b>	<b>\$ 78,120</b>	<b>\$ 16,695</b>	<b>\$ 379,747</b>

See notes to financial statements.

**HAITI MISSION, INC.**  
*Statement of Cash Flows*  
For the Year Ended September 30, 2009

CASH FLOWS FROM OPERATING ACTIVITIES:	
CHANGE IN NET ASSETS	\$ (107,680)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	19,948
Net cash provided by operating activities	<u>(87,732)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of land	(14,000)
Net cash used by investing activities	<u>(14,000)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Decrease in notes receivable	11,325
Decrease in loans payable	(6,801)
Net cash provided by financing activities	<u>4,524</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(97,208)
BEGINNING CASH AND CASH EQUIVALENTS	<u>121,956</u>
ENDING CASH AND CASH EQUIVALENTS	<u><u>\$24,748</u></u>

See notes to financial statements.

**HAITI MISSION, INC.**  
Notes to Financial Statements  
For the Year Ended September 30, 2009

Haiti Mission, Inc. is a faith-based organization dedicated to humanitarian aid which includes training, educating and supporting spiritual, physical and economic growth and development on the local, national and international level, incorporated December 8, 2002.

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Principles of Accounting & Basis of Presentation***

The accompanying financial statements include all accounts of the Corporation and have been prepared on the accrual basis of accounting in accordance with the provisions of Statement of Financial Accounting Standards ("SFAS") No. 116 "Accounting for Contributions Received and Contributions Made" and SFAS No. 117 "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 116, the Corporation distinguishes the contributions it receives as being permanently restricted, temporarily restricted or unrestricted depending on donor-imposed restrictions, if any. Under SFAS No. 117, the net assets, revenues, gains and expenses of the Corporation are classified based on the existence or absence of donor-imposed restrictions as permanently restricted, temporarily restricted or unrestricted.

***Contributions***

Contributions received are recorded as permanently restricted when a donor-imposed restriction stipulates that the contribution be maintained permanently for that purpose. Contributions received are recorded as temporarily restricted if the donor-imposed restrictions either expire by the passage of time or the contributions are to be used for a specified program purpose.

***Cash and Cash Equivalents***

For purposes of the Statement of Cash Flows, the Corporation considers money market funds and all unrestricted highly liquid debt instruments with an initial maturity of three months or less to be cash equivalents.

***Concentration of Credit Risk***

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist of cash held in financial institutions. At times such funds may exceed the amount of insurance provided on them.

**HAITI MISSION, INC.**  
Notes to Financial Statements  
For the Year Ended September 30, 2009

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Property and Equipment***

Property, equipment and leasehold improvements are recorded at cost less accumulated depreciation. Depreciation of property and equipment is computed using the straight line method over the estimated useful lives of the respective assets.

***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.

***Functional Allocation of Expenses***

The costs of providing program services and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated between the program and supporting services benefited.

***Income Tax Status***

The Corporation is exempt from federal income taxes under Section 501©(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements.

**HAITI MISSION, INC.**  
Notes to Financial Statements  
For the Year Ended September 30, 2009

**Note 2**      **PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

Land	\$	14,000
Equipment		103,513
		<u>117,513</u>
Accumulated Depreciation		(78,547)
		<u><u>\$ 38,966</u></u>

Depreciation expense for the year was \$19,948 recorded under water wells program services.

**Note 3**      **PERMANENTLY RESTRICTED NET ASSETS**

Permanently restricted Net Assets consist of the balance from donations specifically for program services. The balance will be spent for program services in the future.

**Note 4**      **JUDGEMENT RECEIVABLE**

In December 2005, Haiti Mission, Inc. successfully defended a judgment against Living Water International Inc. over equipment purchased in the amount of \$56,000. The terms of the judgment calls for monthly payments of \$1,000 beginning December 1, 2005 with the final payment to be made July 1, 2010. Payments of \$11,325 were made during the year. The balance at the end of the year was \$12,561.

**Note 5**      **LOANS PAYABLE**

Loans were made to cover operating expenses for program services. The balance at the beginning of the year was \$41,000. Additional loans of \$10,799 were made during the year. The ending balance outstanding consists of:

Rabine Sable	\$	15,900
Father Jomanas Eustache, J.D.		4,799
Deacon Lloyd & Faie Duplantis		<u>31,100</u>
		<u><u>\$ 51,799</u></u>

**HAITI MISSION, INC.**  
Notes to Financial Statements  
For the Year Ended September 30, 2009

**Note 5**      **LOANS PAYABLE (continued)**

The loan for Rabine Sable is a no-interest loan with provisions for monthly payments originally issued for construction of a pavilion which serves as a school, community center, medical clinic and chapel.

The loan to Father Jomanas Eustache, J.D. is a no-interest loan originally made for the purchase of water well drilling equipment. This loan will be paid back as the funds are available.

The loan to Deacon Lloyd & Faie Duplantis is a no-interest loan originally made for the purchase of the Unimog tractor to pull the drilling rig. This loan will be paid back as the funds are available.