

**PARTICULAR COUNCIL OF**  
**ST. VINCENT DE PAUL OF**  
**BATON ROUGE AND**  
**ST. VINCENT DEPAUL PHARMACY**

**SEPTEMBER 30, 2006**

**BATON ROUGE, LOUISIANA**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4-25-07

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**Hannis T. Bourgeois, LLP**

**Certified Public Accountants**

Randy J. Bonnecaze, CPA\*  
Joseph D. Richard, Jr., CPA\*  
Ronnie E. Stamper, CPA\*  
Fernand P. Genre, CPA\*  
Stephen M. Huggins, CPA\*  
Monica L. Zummo, CPA\*  
Ronald L. Gagnet, CPA\*  
Douglas J. Nelson, CPA\*  
Celeste D. Vistor, CPA\*  
Laura E. Monroe, CPA\*  
R. David Wascom, CPA\*

2322 Tremont Drive  
Baton Rouge, LA 70809  
Phone: (225) 928-4770  
Fax: (225) 926-0945

*Members American Institute of  
Certified Public Accountants*

1175 Del Este Avenue, Suite B  
Denham Springs, LA 70726

[www.htbcpa.com](http://www.htbcpa.com)

*\*A Professional Accounting Corporation*

March 21, 2007

**Independent Auditor's Report**

To the Particular Council of  
St. Vincent de Paul of Baton Rouge  
and St. Vincent de Paul Pharmacy  
Baton Rouge, Louisiana

We have audited the accompanying Consolidated Statement of Financial Position of the Particular Council of St. Vincent de Paul of Baton Rouge and St. Vincent de Paul Pharmacy as of September 30, 2006, and the related Consolidated Statement of Activities, Functional Expenses and Cash Flows for the year then ended. These financial statements are the responsibility of the Organizations' 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 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 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 Particular Council of St. Vincent de Paul of Baton Rouge and St. Vincent dePaul Pharmacy as of September 30, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 15, 2006, on our consideration of the Particular Council of St. Vincent de Paul of Baton Rouge and St. Vincent DePaul Pharmacy's internal control structure 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 should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Organizations taken as a whole. The accompanying Schedule of Expenditures of Federal Awards (as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*) is presented for purposes of additional analysis and is not a required part of the financial statements of the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Respectfully submitted,

*Nannia T. Bourgeois, LLP*

**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST. VINCENT DE PAUL PHARMACY**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS OF SEPTEMBER 30, 2006**

**ASSETS**

**Current Assets:**

Cash	\$ 1,956,254
Grants Receivable	463,879
Accrued Interest	10,875
Prepaid Expenses	19,968
Inventory	343,812
Other Assets	<u>5,496</u>

Total Current Assets 2,800,284

**Property, Plant and Equipment, Net of Accumulated Depreciation** 2,769,460

Total Assets \$ 5,569,744

**LIABILITIES AND NET ASSETS**

**Current Liabilities:**

Accounts Payable	\$ 96,029
Accrued Liabilities	112,800
Deferred Income	<u>174,175</u>

Total Current Liabilities 383,004

**Net Assets:**

Unrestricted	4,544,221
Temporarily Restricted	569,693
Permanently Restricted	<u>72,826</u>

Total Net Assets 5,186,740

Total Liabilities and Net Assets \$ 5,569,744

The accompanying notes are an integral part of this statement.

**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST. VINCENT DE PAUL PHARMACY**

**CONSOLIDATED STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>Public Support and Revenue:</b>				
<b>Public Support:</b>				
Contributions	\$ 967,773	\$ 1,115,104	\$ -	\$2,082,877
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Services	5,093,580	-	-	5,093,580
<b>Total Public Support</b>	<b>6,061,353</b>	<b>1,115,104</b>	<b>-</b>	<b>7,176,457</b>
<b>Revenue:</b>				
Grant Income	-	1,239,829	-	1,239,829
Sale of Merchandise	1,827,512	-	-	1,827,512
Miscellaneous Income	48,630	-	-	48,630
Interest Income	34,852	-	-	34,852
<b>Total Revenue</b>	<b>1,910,994</b>	<b>1,239,829</b>	<b>-</b>	<b>3,150,823</b>
<b>Total Public Support and Revenue</b>	<b>7,972,347</b>	<b>2,354,933</b>	<b>-</b>	<b>10,327,280</b>
<b>Net Assets Released from Restrictions:</b>				
Satisfaction of Restrictions	2,149,847	(2,149,847)	-	-
<b>Total Public Support, Revenue, and Net Assets Released from Restrictions</b>	<b>10,122,194</b>	<b>205,086</b>	<b>-</b>	<b>10,327,280</b>
<b>Expenses:</b>				
Program Services	8,793,384	-	-	8,793,384
Fund Raising	187,178	-	-	187,178
Management and General	267,197	-	-	267,197
<b>Total Expenses</b>	<b>9,247,759</b>	<b>-</b>	<b>-</b>	<b>9,247,759</b>
<b>Increase (Decrease) in Net Assets</b>	<b>874,435</b>	<b>205,086</b>	<b>-</b>	<b>1,079,521</b>
<b>Net Assets at Beginning of Year</b>	<b>3,669,786</b>	<b>364,607</b>	<b>72,826</b>	<b>4,107,219</b>
<b>Net Assets at End of Year</b>	<b>\$4,544,221</b>	<b>\$ 569,693</b>	<b>\$ 72,826</b>	<b>\$5,186,740</b>

The accompanying notes are an integral part of this statement.

**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST. VINCENT DE PAUL PHARMACY**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

FOR THE YEAR ENDED SEPTEMBER 30, 2006

	<u>Store</u>	<u>Dining Room</u>	<u>Shelter</u>	<u>District Council</u>	<u>UMCOR</u>
Salaries and Employee Benefits	\$ 959,371	\$ 134,627	\$ 366,916	\$ 50,000	\$ 206,092
Payroll Taxes	80,173	10,354	29,642	7,600	14,474
Advertising	62,899	621	848	-	399
Auto	49,951	4,324	7,043	-	7,149
Assistance to Needy	632,349	722	38,553	7,065	-
Dues & Publications	4,485	137	641	-	61
Employee Benefits	17,239	4,597	5,680	-	995
Food Supply Expense	-	145,058	53,044	-	-
Gifts	-	-	-	-	-
Insurance	60,615	16,880	31,350	8,500	12,745
Legal and Professional	10,881	1,209	5,736	900	324
Meds Direct	-	-	-	105	-
Miscellaneous	21,348	7,908	8,175	-	2,134
Events	36	20	-	-	-
Printing	4,135	1,351	1,635	-	479
Pharmacist Hours (Donated)	-	-	-	-	-
Pharmaceuticals (Donated)	-	-	-	-	-
Pharmaceuticals Purchased	-	-	-	-	-
Repairs and Maintenance	66,877	17,256	42,685	-	1,579
Rent Expense	236,232	-	5,640	-	18,425
Store & Uniform Expense	3,141,671	-	-	-	-
Supplies	26,660	15,785	50,238	-	4,046
Postage	5,018	3,194	3,261	-	935
Telephone	26,259	1,364	13,425	-	2,219
Travel and Conventions	1,677	-	536	-	2,079
Utilities	66,885	21,558	65,009	6,000	3,031
Subtotal	5,474,761	386,965	730,057	80,170	277,166
Depreciation	34,154	39,503	55,546	-	3,920
Total	\$ 5,508,915	\$ 426,468	\$ 785,603	\$ 80,170	\$ 281,086

The accompanying notes are an integral part of this statement.

<u>Pharmacy</u>	<u>Total Program</u>	<u>Fund Raising</u>	<u>Management and General</u>	<u>Total Support</u>	<u>Total Program and Support</u>
\$ 178,034	\$ 1,895,040	\$ 56,783	\$ 112,436	\$ 169,219	\$ 2,064,259
13,915	156,158	3,401	6,173	9,574	165,732
179	64,946	82,177	2,826	85,003	149,949
-	68,467	-	11,624	11,624	80,091
-	678,689	-	-	-	678,689
-	5,324	-	2,104	2,104	7,428
8,288	36,799	3,989	6,818	10,807	47,606
-	198,102	-	2,727	2,727	200,829
109	109	-	6	6	115
10,175	140,265	-	5,731	5,731	145,996
-	19,050	-	12,006	12,006	31,056
1,500	1,605	-	-	-	1,605
-	39,565	5,748	16,675	22,423	61,988
-	56	-	4,034	4,034	4,090
-	7,600	25,756	5,130	30,886	38,486
32,347	32,347	-	-	-	32,347
1,325,804	1,325,804	-	-	-	1,325,804
118,912	118,912	-	-	-	118,912
5,217	133,614	-	24,978	24,978	158,592
-	260,297	-	5,243	5,243	265,540
-	3,141,671	-	-	-	3,141,671
6,152	102,881	4,331	7,253	11,584	114,465
534	12,942	4,993	12,776	17,769	30,711
1,677	44,944	-	2,140	2,140	47,084
-	4,292	-	1,880	1,880	6,172
7,164	169,647	-	7,240	7,240	176,887
<u>1,710,007</u>	<u>8,659,126</u>	<u>187,178</u>	<u>249,800</u>	<u>436,978</u>	<u>9,096,104</u>
<u>1,135</u>	<u>134,258</u>	<u>-</u>	<u>17,397</u>	<u>17,397</u>	<u>151,655</u>
<u>\$1,711,142</u>	<u>\$ 8,793,384</u>	<u>\$187,178</u>	<u>\$ 267,197</u>	<u>\$ 454,375</u>	<u>\$ 9,247,759</u>



**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST. VINCENT DE PAUL PHARMACY**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

<b>Cash Flows From Operating Activities:</b>	
Increase (Decrease) in Net Assets	\$ 1,079,521
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	151,655
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(290,045)
(Increase) Decrease in Accrued Interest	(2,075)
(Increase) Decrease in Prepaid Expenses	(7,529)
(Increase) Decrease in Inventory	(174,141)
(Increase) Decrease in Unconditional Promises To Give	6,759
(Increase) Decrease in Other Assets	(1,024)
Increase (Decrease) in Accrued Liabilities	38,345
Increase (Decrease) in Accounts Payable	37,300
Increase (Decrease) in Deferred Revenue	<u>174,175</u>
Net Cash Provided by Operating Activities	1,012,941
<b>Cash Flows From Investing Activities:</b>	
Purchases of Building and Equipment	<u>(129,454)</u>
Net Cash Used in Investing Activities	(129,454)
<b>Cash Flows From Financing Activities:</b>	
Payments on Note Payable	<u>(97,239)</u>
Net Cash Provided by Financing Activities	<u>(97,239)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>786,248</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u><b>1,170,006</b></u>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ <u><u>1,956,254</u></u></b>

The accompanying notes are an integral part of this statement.

**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST. VINCENT DE PAUL PHARMACY**

**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2006

**Note 1 - Summary of Significant Accounting Policies -**

**Reorganization and Principles of Consolidation**

Effective October 1, 2004, the Board of Directors of the Particular Council of St. Vincent de Paul revised the legal structure of St. Vincent de Paul. As part of the reorganization the Board formed a new St. Vincent de Paul Foundation and St. Vincent DePaul Properties for the purpose of expanding the real estate holdings of the Particular Council of St. Vincent de Paul. In addition, a new Council Corporation was formed for local St. Vincent de Paul Conferences, and the Articles of Incorporation of the Particular Council of St. Vincent de Paul was restated and amended. The Particular Council of St. Vincent de Paul is the sole member of the St. Vincent de Paul Pharmacy. As of September 30, 2006, there had been no activity within the newly formed entities. These financial statements include the activity of the Particular Council of St. Vincent de Paul and St. Vincent de Paul Pharmacy (collectively, the Organization). All significant intercompany balances and transactions have been eliminated in consolidation.

**Nature of Activities**

The Particular Council of St. Vincent de Paul of Baton Rouge is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of operating salvage stores, providing a feeding facility for the needy, four shelters for the homeless, and employment, rehabilitation and opportunities for personal growth to disadvantaged individuals. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

St. Vincent de Paul Community Pharmacy, Inc. is a nonprofit corporation organized under the laws of the State of Louisiana for the purpose of providing a pharmacy for disadvantaged individuals. The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

**Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

**Basis of Presentation**

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, as applicable.

### Contributions

All contributions are considered available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes, are reported as temporarily restricted or permanently restricted support that increases those net asset classes, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends, or purpose of 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.

### Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

### Donated Assets, Goods and Services

Land, buildings and equipment received as donations are recognized in the accompanying financial statements at their estimated fair market value at the date they are received.

The value of donated items received for resale in the salvage store is recognized in the accompanying financial statements at their estimated fair value only to the extent that the items were resold. Any items not resold are not recorded as donations in the financial statements because there is no objective basis available to value such items.

The Organization recognizes contribution revenue for certain services received at the fair value of those services provided those services create or enhance nonfinancial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the year ended September 30, 2006, donated services of the pharmacist were recorded as the services were performed. The value of other contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. Nevertheless, a number of volunteers donate a significant amount of time in the operations of the stores and dining hall.

The value of donated food received at the dining hall is recognized in the accompanying financial statements based on the number of meals served. Donated pharmaceuticals are reflected as contributions at the time used.

St. Vincent de Paul donates space to two dentists to provide dental services for shelter residents. The dentists provide all of their own supplies. St. Vincent dePaul also donates space to the Baton Rouge Primary Care collaborative and Thirst for Justice. The Organization does not record donated revenue for these services because they merely provide the space.

### 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.

### Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

### Inventory

Inventory is valued at the lower of cost or market. Cost is determined using the first-in, first-out method. Inventory is primarily purchased uniforms.

### Property and Equipment

Expenditures for the acquisition of property and equipment are capitalized at cost. The fair value of donated property and equipment is similarly capitalized. Depreciation is provided over the estimated useful lives of the assets, which range from 5 to 39 years, using the straight-line and various accelerated methods.

### Contributed Facilities

The Organization operates, without charge, certain premises upon which their salvage store and shelters are located. The estimated fair rental value of the premises is reported as support and expense in the year in which the premises are used.

### 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 based on the time spent on each program.

### **Note 2 - Property, Plant and Equipment -**

A summary of fixed assets as of September 30, 2006 follows:

	<u>Particular Council of SVDP</u>	<u>St. Vincent DePaul Pharmacy</u>	<u>Total</u>
Buildings and Leasehold Improvements	\$ 2,993,534	\$ -	\$ 2,993,534
Equipment, Furnishings and Vehicles	<u>734,402</u>	<u>17,829</u>	<u>752,231</u>
	3,727,936	17,829	3,745,765
Less: Accumulated Depreciation	<u>(1,194,863)</u>	<u>(13,673)</u>	<u>(1,208,536)</u>
	2,533,073	4,156	2,537,229
Land	<u>232,231</u>	<u>-</u>	<u>232,231</u>
	<u>\$ 2,765,304</u>	<u>\$ 4,156</u>	<u>\$ 2,769,460</u>

Depreciation expense for the year ended September 30, 2006 was \$151,655.

**Note 3 - Concentrations -**

Concentrations of credit risk and revenue sources are limited due to the large number of contributions comprising the Organization's contributor base.

**Cash**

The Organization maintains cash accounts with commercial banks, which are insured by the Federal Deposit Insurance Corporation up to \$100,000. Periodically, cash may exceed the federally insured amount.

**Note 4 - Net Assets Released from Restrictions -**

Net Assets were released from restrictions for incurring expenses, satisfying the restricted purpose.

Restrictions accomplished:

	<u>Particular</u> <u>Council of SVDP</u>	<u>St. Vincent</u> <u>DePaul</u> <u>Pharmacy</u>	<u>Eliminations</u>	<u>Total</u>
Hurricane Katrina	\$ 569,170	\$ 13,149	\$ -	\$ 582,319
Uniforms for Kids	141,552	-	-	141,552
Vision to Reality	2,652	-	-	2,652
Shelter Contributions	374,911	-	-	374,911
Building Challenge	124,580	-	-	124,580
Grants	587,530	258,785	-	846,315
Dining Room Contributions	58,082	-	-	58,082
Dental Contributions	3,931	-	-	3,931
Meds Direct	<u>15,505</u>	<u>-</u>	<u>-</u>	<u>15,505</u>
Total Restrictions Released	<u>\$ 1,877,913</u>	<u>\$ 271,934</u>	<u>\$ -</u>	<u>\$ 2,149,847</u>

**Note 5 - Restrictions on Net Assets -**

Temporarily restricted net assets are available for the following purposes:

The Organization received contributions from individuals for the purpose of helping victims of Hurricane Katrina. The funds are restricted for Hurricane Katrina related expenses.

The Organization received contributions from individuals for the purpose of purchasing school uniforms for disadvantaged children. The funds are restricted to the purchase of new uniforms.

The Organization received grants from various sources. The funds are restricted for the purpose of the various grants.

Temporarily restricted net assets are available for the following purposes:

	<u>Particular Council of SVDP</u>	<u>St. Vincent DePaul Pharmacy</u>	<u>Total</u>
Building	\$ 40,670	\$ -	\$ 40,670
Grants	11,069	31,714	42,783
Hurricane Katrina	392,426	-	392,426
Myriam House	7,929	-	7,929
Uniforms for Kids	<u>85,885</u>	<u>-</u>	<u>85,885</u>
	<u>\$ 537,979</u>	<u>\$ 31,714</u>	<u>\$ 569,693</u>

During 1996, the Organization was named partial beneficiary of a charitable remainder trust terminating in 5 years. The trust terminated in September of 2001. Upon termination, funds totaling \$52,826 became permanently restricted with the future income only to be used for dining room operations.

During 2001, the Organization received a \$20,000 donation which was to be held in a separate account with the interest only to be used for dining room operations.

Permanently restricted net assets are available for the following purposes:

Dining Room Operations	\$ <u>72,826</u>
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**Note 6 - 403(b) Program -**

Effective December 1999, the Organization set up a 403(b) program for its employees. Under the program, qualified employees are able to make elective deferrals and the Organization contributes up to a maximum of 6% of qualified wages. The total contribution for the year ended September 30, 2006 for the Particular Council and the Pharmacy was \$32,047 and \$5,591, respectively.

**Note 7 - Lease Commitment -**

The Organization has entered into various lease agreements for the use of building and warehouse space under noncancelable operating leases. Future minimum lease payments are as follows:

Fiscal Year:	
2007	\$ 120,696
2008	<u>48,881</u>
Total Future Minimum Lease Payments	<u>\$ 169,577</u>

The Organization has also entered into other lease agreements for the store locations that are renewed annually. Total rent expense for 2006 was \$265,540.

**Note 8 - Note Payable -**

During the year the Organization, paid the remaining balance on the note payable of \$97,239. Therefore, as of September 30, 2006, the Organization does not have a note payable.

The note has an original balance of \$100,000, which was payable in 180 equal monthly payments of \$765. The note has an interest rate of 4.5%.

Interest expense for the year ended September 30, 2006 was \$1,579.

**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST. VINCENT DE PAUL PHARMACY**

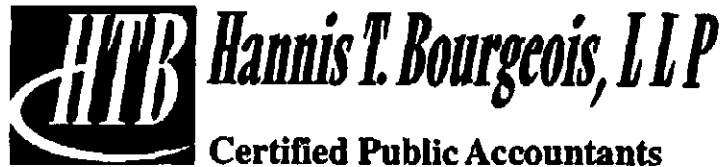
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	<u>CFDA</u>	<u>Amount of Federal Expenditures</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>		
Passed through City Parish:		
Emergency Shelter Program	14.231	\$ 56,271
Supportive Housing Program	14.235	119,993
Community Development Block Grant	14.218	77,500
Passed through Louisiana Department of Social Services, Office of Community Services		
Emergency Shelter Grants Program	14.231	<u>48,600</u>
Total U.S. Department of Housing and Urban Development		302,364
<b><u>U.S. Department of Homeland Security</u></b>		
Passed through United Methodist Committee on Relieve:		
Katrina Aid Today	N/A	283,625
Passed through United Way of America:		
Emergency Food and Shelter Program	97.024	43,137
Passed through City Parish:		
Public Assistance Grants	97.036	<u>231,147</u>
Total U.S. Department of Homeland Security		557,909
<b><u>U.S. Department of Agriculture</u></b>		
Passed through Louisiana Department of Education		
Summer Food Service	10.559	<u>18,404</u>
Total U.S. Department of Agriculture		18,404
<b><u>U.S. Department of Health and Human Services</u></b>		
Passed through Louisiana Department of Health and Hospitals		
Comprehensive Aids Resources Emergency Act		<u>86,153</u>
Total U.S. Department of Health and Human Services		<u>86,153</u>
Total Federal Expenditures		<u>\$ 964,830</u>



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**



Randy J. Bonaccase, CPA\*  
Joseph D. Richard, Jr., CPA\*  
Ronnie E. Stamper, CPA\*  
Fernand P. Genre, CPA\*  
Stephen M. Huggins, CPA\*  
Monica L. Zumo, CPA\*  
Ronald L. Gagnet, CPA\*  
Douglas J. Nelson, CPA\*  
Celeste D. Viator, CPA\*  
Laura E. Monroe, CPA\*  
R. David Wascom, CPA\*

*\*A Professional Accounting Corporation*

2322 Tremont Drive  
Baton Rouge, LA 70809  
Phone: (225) 928-4770  
Fax: (225) 926-0945

*Members American Institute of  
Certified Public Accountants*

1175 Del Este Avenue, Suite B  
Denham Springs, LA 70726

[www.htbcpa.com](http://www.htbcpa.com)

March 21, 2007

To the Particular Council of  
St. Vincent de Paul of Baton Rouge  
and St. Vincent de Paul Pharmacy  
Baton Rouge, Louisiana

We have audited the consolidated financial statements of the Particular Council of St. Vincent de Paul of Baton Rouge and St. Vincent de Paul Pharmacy as of and for the year ended September 30, 2006, and have issued our report thereon dated March 21, 2007. 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 Particular Council of St. Vincent de Paul of Baton Rouge and St. Vincent de Paul Pharmacy's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Particular Council of St. Vincent de Paul of Baton Rouge and St. Vincent de Paul Pharmacy'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 that are required to be reported under *Government Auditing*

*Standards.*

This report is intended for the information of management, others within the Organizations, the office of the Legislative Auditor, and any cognizant agency, and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document and its distribution is not limited.

Respectfully submitted,

*Nannia T. Bourgeois, LLP*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**



**Hannis T. Bourgeois, LLP**

**Certified Public Accountants**

Randy J. Bonnecaze, CPA\*  
Joseph D. Richard, Jr., CPA\*  
Ronnie E. Starper, CPA\*  
Fernand P. Geure, CPA\*  
Stephen M. Huggins, CPA\*  
Monica L. Zumo, CPA\*  
Ronald L. Gagnet, CPA\*  
Douglas J. Nelson, CPA\*  
Celeste D. Viator, CPA\*  
Laura E. Monros, CPA\*  
R. David Wascom, CPA\*

\*A Professional Accounting Corporation

2322 Tremont Drive  
Baton Rouge, LA 70809  
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Fax: (225) 926-0945

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March 21, 2007

To the Particular Council of  
St. Vincent de Paul of Baton Rouge  
and St. Vincent de Paul Pharmacy  
Baton Rouge, Louisiana

### Compliance

We have audited the compliance of the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended September 30, 2006. The Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs are the responsibility of the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy's management. Our responsibility is to express an opinion on the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy's compliance with those requirements.

In our opinion, the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended September 30, 2006.

Internal Control Over Compliance

The management of the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the Board of Directors, management, the Office of the Louisiana Legislative Auditor and any cognizant agency, and is not intended to be and should not be used by anyone other than these specified parties. However, under the provisions of Louisiana Revised Statute 24:513, this report is distributed by the legislative auditor as a public document and its distribution is not limited.

Respectfully submitted,

*Hannia T. Bourgeois, LLP*

**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST. VINCENT DE PAUL PHARMACY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

As required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the following is a summary of the results of our audit:

- \* Type of report issued on financial statements - unqualified.
- \* Type of report issued on compliance for major programs - unqualified.
- \* The results of audit procedures disclosed no material noncompliance in the major program.
- \* The results of audit procedures disclosed no questioned costs.
- \* Our audit disclosed no findings which are required to be reported under Section 510(a).
- \* There were no programs determined to be Type A major programs.
- \* The following programs were determined to be Type B major programs:

	<u>CFDA Number</u>	
<u>U.S. Department of Homeland Security</u>		
Passed through United Methodist Committee on Relieve Katrina Aid Today	N/A	<u>283,625</u>
Total U.S. Department of Homeland Security		283,625
<u>U.S. Department of Housing &amp; Urban Development</u>		
Passed through City Parish		
Community Development Block Grant	14.218	77,500
Supportive Housing Program	14.235	<u>119,993</u>
Total U.S. Department of Housing and Urban Development		197,493
<u>U.S. Department of Agriculture</u>		
Passed through Louisiana Department of Education		
Summer Food Service	10.559	<u>18,404</u>
Total U.S. Department of Agriculture		18,404

- \* The dollar threshold used to distinguish between Type A and Type B programs was \$300,000 as specified under Section 520(b).
- \* The Particular Council of St. Vincent DePaul of Baton Rouge and St. Vincent DePaul Pharmacy was determined to be a high risk auditee under Section 530.

SUPPLEMENTARY INFORMATION





**Hannis T. Bourgeois, LLP**

**Certified Public Accountants**

Randy J. Bonmecaze, CPA\*  
Joseph D. Richard, Jr., CPA\*  
Ronnie E. Stamper, CPA\*  
Fernand P. Genre, CPA\*  
Stephen M. Huggins, CPA\*  
Monica L. Zuno, CPA\*  
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Douglas J. Nelson, CPA\*  
Celeste D. Viator, CPA\*  
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March 21, 2007

**Independent Auditor's Report on  
the Supplementary Information**

To the Particular Council of  
St. Vincent de Paul of Baton Rouge  
and St. Vincent de Paul Pharmacy  
Baton Rouge, Louisiana

Our report on our audit of the basic financial statements of the Particular Council of St. Vincent DePaul and St. Vincent de Paul Pharmacy for the year ended September 30, 2006, appears on page 1. Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Respectfully submitted,

*Hannis T. Bourgeois, LLP*

**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST VINCENT DE PAUL PHARMACY**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**

AS OF SEPTEMBER 30, 2006

	<b><u>ASSETS</u></b>			
	Particular Council of SVDP	St. Vincent dePaul Pharmacy	Eliminations	Total
<b>Current Assets:</b>				
Cash	\$ 1,861,477	\$ 94,777	\$ -	\$ 1,956,254
Grants Receivable	396,767	67,112	-	463,879
Accrued Interest	10,875	-	-	10,875
Prepaid Expenses	15,615	4,353	-	19,968
Inventory	312,055	31,757	-	343,812
Other Assets	5,496	-	-	5,496
Due From St. Vincent de Paul Pharmacy	8,241	-	(8,241)	-
Total Current Assets	2,610,526	197,999	(8,241)	2,800,284
<b>Property, Plant and Equipment, Net of Accumulated Depreciation</b>	<u>2,765,304</u>	<u>4,156</u>	<u>-</u>	<u>2,769,460</u>
Total Assets	<u>\$ 5,375,830</u>	<u>\$ 202,155</u>	<u>\$ (8,241)</u>	<u>5,569,744</u>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities:</b>				
Accounts Payable	\$ 90,028	\$ 6,001	\$ -	\$ 96,029
Accrued Liabilities	107,226	5,574	-	112,800
Due To St. Vincent de Paul Society		8,241	(8,241)	-
Deferred Revenue	174,175	-	-	174,175
Total Current Liabilities	371,429	19,816	(8,241)	383,004
<b>Net Assets:</b>				
Unrestricted	4,393,596	150,625	-	4,544,221
Temporarily Restricted	537,979	31,714	-	569,693
Permanently Restricted	72,826	-	-	72,826
Total Net Assets	<u>5,004,401</u>	<u>182,339</u>	<u>-</u>	<u>5,186,740</u>
Total Liabilities and Net Assets	<u>\$ 5,375,830</u>	<u>\$ 202,155</u>	<u>\$ (8,241)</u>	<u>5,569,744</u>

The accompanying notes are an integral part of this statement.

**PARTICULAR COUNCIL OF ST. VINCENT DE PAUL  
OF BATON ROUGE AND ST. VINCENT DE PAUL PHARMACY**

**CONSOLIDATING STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	<u>Particular Council of SVDP</u>	<u>St. Vincent dePaul Pharmacy</u>	<u>Eliminations</u>	<u>Total</u>
<b>CHANGES IN UNRESTRICTED NET ASSETS:</b>				
<b>Unrestricted Public Support and Revenues:</b>				
Contributions	\$ 816,530	\$ 151,243	\$ -	\$ 967,773
Donated Facilities/Commodities/ Inventory/Pharmaceuticals/Service	3,735,429	1,431,151	(73,000)	5,093,580
Sale of Merchandise	1,827,512	-		1,827,512
Interest Income	34,825	27	-	34,852
Miscellaneous	48,464	166	-	48,630
Net Assets Released From Restrictions	<u>1,877,913</u>	<u>271,934</u>	<u>-</u>	<u>2,149,847</u>
<b>Total Unrestricted Public Support and Revenues</b>	<b>8,340,673</b>	<b>1,854,521</b>	<b>(73,000)</b>	<b>10,122,194</b>
<b>Expenses:</b>				
Program Services	7,082,243	1,716,841	(5,700)	8,793,384
Management and General	247,331	64,166	(44,300)	267,197
Fund Raising	<u>170,761</u>	<u>39,417</u>	<u>(23,000)</u>	<u>187,178</u>
<b>Total Expenses</b>	<b><u>7,500,335</u></b>	<b><u>1,820,424</u></b>	<b><u>(73,000)</u></b>	<b><u>9,247,759</u></b>
<b>Increase (Decrease) in Unrestricted Net Assets</b>	<b><u>840,338</u></b>	<b><u>34,097</u></b>	<b><u>-</u></b>	<b><u>874,435</u></b>
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:</b>				
<b>Restricted Public Support and Revenues:</b>				
Contributions	1,102,612	12,492	-	1,115,104
Grant Income	993,624	246,205	-	1,239,829
Net Assets Released From Restrictions	<u>(1,877,913)</u>	<u>(271,934)</u>	<u>-</u>	<u>(2,149,847)</u>
<b>Increase (Decrease) in Temporarily Restricted Net Assets</b>	<b><u>218,323</u></b>	<b><u>(13,237)</u></b>	<b><u>-</u></b>	<b><u>205,086</u></b>
<b>Increase (Decrease) in Net Assets</b>	<b>1,058,661</b>	<b>20,860</b>	<b>-</b>	<b>1,079,521</b>
<b>Net Assets, Beginning of Year</b>	<b><u>3,945,740</u></b>	<b><u>161,479</u></b>	<b><u>-</u></b>	<b><u>4,107,219</u></b>
<b>Net Assets, End of Year</b>	<b><u>\$5,004,401</u></b>	<b><u>\$ 182,339</u></b>	<b><u>\$ -</u></b>	<b><u>\$5,186,740</u></b>

The accompanying notes are an integral part of this statement.