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**WEST CARROLL ASSOCIATION
FOR RETARDED CITIZENS, INC.****Oak Grove, Louisiana**

*Financial Statements
For the Year Ended
June 30, 2005*

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 1-18-06

DARLA S. TURNER, CPA
A Professional Accounting Corporation
3001 Armand, Suite C
Monroe, Louisiana 71201

**WEST CARROLL ASSOCIATION
FOR RETARDED CITIZENS, INC.
Oak Grove, Louisiana**

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June 30, 2005**

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INDEPENDENT AUDITOR'S REPORT

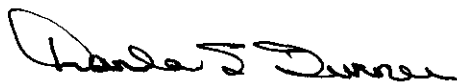
Board of Directors
West Carroll Association for Retarded Citizens, Inc.
Oak Grove, Louisiana

I have audited the accompanying statement of financial position of West Carroll Association for Retarded Citizens, Inc., (a nonprofit organization) as of June 30, 2005, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of West Carroll Association for Retarded Citizens, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Carroll Association for Retarded Citizens, Inc., as of June 30, 2005, 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*, I have also issued my report dated December 15, 2005, on my consideration of West Carroll Association for Retarded Citizens, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my 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 my audit.



DARLA S. TURNER
CERTIFIED PUBLIC ACCOUNTANT

December 15, 2005

**WEST CARROLL ASSOCIATION
FOR RETARDED CITIZENS, INC.**

Oak Grove, Louisiana

**STATEMENT OF FINANCIAL POSITION
June 30, 2005**

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 60,861
Investments (Note 3)	110,671
Accounts receivable	13,209
Prepaid expenses	15,521
Total Current Assets	<u>200,262</u>
Fixed Assets	
Land	26,361
Building	37,387
Vehicles	62,732
Furniture and equipment	28,554
	<u>155,034</u>
Less: accumulated depreciation	(106,520)
Total Fixed Assets	<u>48,514</u>
	TOTAL ASSETS \$ <u>248,776</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 10
Compensated absences	1,927
Total Current Liabilities	<u>1,937</u>
Unrestricted net assets	<u>246,839</u>
	TOTAL NET ASSETS \$ <u>248,776</u>

The accompanying notes are an integral part of this statement.

**WEST CARROLL ASSOCIATION
FOR RETARDED CITIZENS, INC.
OAK GROVE, LOUISIANA**

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2005**

SUPPORT AND REVENUE

Support

Grants and contracts	\$	113,798
Contributions		2,464
Other providers		<u>55,541</u>

Total support 171,803

Revenue

Interest		2,378
Program receipts		42,621
Miscellaneous		<u>2,706</u>

Total revenue 47,705

TOTAL SUPPORT AND REVENUE 219,508

EXPENSES

Program services		208,464
Support services		
General and administrative		<u>14,866</u>

TOTAL EXPENSES 223,330

CHANGE IN NET ASSETS (3,822)

NET ASSETS, BEGINNING OF YEAR 250,660

NET ASSETS, END OF YEAR \$ 246,839

**WEST CARROLL ASSOCIATION
FOR RETARDED CITIZENS, INC.
OAK GROVE, LOUISIANA**

**STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2005**

Cash Flows From Operating Activities:	
Change in net assets	\$ (3,822)
Adjustments to reconcile change in net assets to net cash used for operating purposes:	
Depreciation	8,384
(Increase) decrease in receivables	2,604
Increase (Decrease) in other assets	1,057
Increase (Decrease) in accounts payable	(305)
(Increase) Decrease in prepaid expenses	(2,671)
Increase (Decrease) in accrued expenses	100
	<hr/>
Net cash provided by operating activities	5,347
Cash Flows From Investing Activities:	
Acquisition of equipment and improvements	(18,580)
	<hr/>
Net cash used by investing activities	(18,580)
Cash Flows From Financing Activities:	
	<hr/>
	-
	<hr/>
Net cash provided by financing activities	-
	<hr/>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(13,233)
CASH AND CASH EQUIVALENTS - JUNE 30, 2004	184,765
RECLASSIFICATIONS	(110,671)
	<hr/>
	74,094
	<hr/>
CASH AND CASH EQUIVALENTS - JUNE 30, 2005	\$ 60,861
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

**WEST CARROLL ASSOCIATION
FOR RETARDED CITIZENS, INC.
Oak Grove, Louisiana**

**STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2005**

	Program Services	General and Administrative	Total Expenses
Salaries and Related Benefits			
Salaries	\$ 143,174	\$ -	\$ 143,174
Related Benefits	16,479	-	16,479
Worker's compensation	1,269	-	1,269
Total Salaries and Related Benefits	<u>160,922</u>	<u>-</u>	<u>160,922</u>
Other Expenses			
Insurance	15,415	-	15,415
Janitorial	6,997	-	6,997
Legal and accounting	-	4,400	4,400
Miscellaneous	-	345	345
Office and postage	1,417	-	1,417
QMRP	-	800	800
Commissions and Fees	-	-	-
Supplies	4,659	-	4,659
Repairs and maintenance	3,125	-	3,125
Telephone	280	-	280
Training	-	605	605
Travel	-	332	332
Transportation	11,616	-	11,616
Utilities	4,032	-	4,032
	<u>208,464</u>	<u>6,482</u>	<u>214,946</u>
Total expenses before depreciation	208,464	6,482	214,946
Depreciation	<u>-</u>	<u>8,384</u>	<u>8,384</u>
TOTAL EXPENSES	<u>\$ 208,464</u>	<u>\$ 14,866</u>	<u>\$ 223,330</u>

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2005**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities:

West Carroll Association for Retarded Citizens, Inc. (the "Association") is a nonprofit organization which was chartered on January 23, 1958, to promote the general welfare of mentally retarded persons (Clients).

The Clients participate and are paid for baking and selling pies to the general public, performing janitorial duties for businesses and ironing for individuals. The market for their products and services is Oak Grove and surrounding areas.

The Association is governed by eight non-compensated directors who serve two-year terms on a rotating basis.

Basis of Presentation:

The financial statements of the Association have been prepared in conformity with generally accepted accounting principles (GAAP).

Basis of Accounting:

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

Cash and Cash Equivalents:

Cash is reported at net book value – the June 30, 2005, bank balance plus deposits in transit and less checks that have not cleared the bank as of that date. Investments consist of certificates of deposit which are stated at cost plus interest earned and received to date, which approximates market. If the original maturities of time deposits exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Income Taxes:

The Association is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). In addition, the Association has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2005**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

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.

Uncollectible Allowance:

The statements contain no provision for uncollectible accounts. Management is of the opinion that such allowance would be immaterial in relation to the financial statements taken as a whole.

Property and Equipment:

Property and equipment purchased or constructed are stated at historical cost. Donated property and equipment are stated at fair value at the date of donation. The Association has elected not to imply a time restriction on donated property and equipment.

Depreciation expense is provided on buildings and equipment on the straight-line method over the following estimated useful lives:

Building and improvements	10 - 35 years
Equipment	5 - 15 years
Vehicles	5 years

Maintenance and repairs of property and equipment are charged to operations while major improvements costing \$500 or more are capitalized. Upon retirement, sale, or other disposition of property and equipment, the cost and accumulated depreciation are removed from the accounts and gain or loss is included in operations.

Support and Revenue:

Revenues received under programs funded by the State of Louisiana are recorded as revenue when the Association has incurred expenditures in compliance with the specific restrictions. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2005**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Functional Allocation of Expenses:

The costs of providing the various programs and other 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.

Contributed Services:

The Association receives a substantial amount of services donated by its members in carrying out the Association's operations. No amounts have been reflected in the financial statements for those services as they do not meet the criteria for recognition under SFAS 116, *Accounting for Contributions Received and Contributions Made*.

Compensated Absences:

Full time Association employees will be given one day per month with pay for sick and emergency, or personal leave. Mary Biggs Services employees are given one-half day per month with pay after a six month trial period of employment, for sick and emergency, or personal leave.

NOTE 2. PROPERTY AND EQUIPMENT

A summary of the categories and applicable depreciation at June 30, 2005, is as follows:

<u>Category</u>	<u>Cost</u>	<u>Current Depreciation</u>	<u>Accumulated Depreciation</u>
Land	\$ 26,361	\$ -	\$ -
Building & improvements	37,387	983	32,642
Equipment	91,286	7,401	73,878
Total	<u>\$ 155,034</u>	<u>\$ 8,384</u>	<u>\$ 106,520</u>

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2005**

NOTE 3 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Association maintains checking accounts and certificates of deposits at local financial institutions. Interest bearing and non-interest bearing accounts at each financial institution are insured by the Federal Deposits Insurance Corporation (FDIC) up to \$100,000 each. The balance of funds held at the local financial institutions as of June 30, 2005, were adequately insured by the FDIC and securities pledged by the bank.

At June 30, 2005, the Association had cash and cash equivalents totaling \$60,681, and investments totaling \$110,671, all deposited in local financial institutions.

Demand deposits	\$ 60,861
Certificates of deposit	<u>110,671</u>
Total	<u>\$171,532</u>

Investing is performed in accordance with investment policies complying with state statutes and the Association's charter. The investments of the Association are categorized to give an indication of the level of risk assumed by the Association at June 30, 2005. The categories are described as follows:

Category 1 - Insured or registered, with securities held by the entity or its agents in the entity's name.

Category 2 – Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the entity's name.

Category 3 – Uninsured and unregistered, with securities held by the counter-party, in its trust department in the entity's name.

All investments are certificates of deposit with maturity dates that exceed ninety days.

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposits insurance must at all times equal the amount on deposit with the bank. These securities are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2005, the Association had \$173,526 in deposits (collected bank balances). The deposits are secured by \$173,526 of federal deposit insurance (Category 1).

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2005**

NOTE 4. ECONOMIC DEPENDENCY

Substantially all of the Association's revenues are derived from the State of Louisiana, under its vocational/rehabilitative services and Title XIX programs. Funding for the service program is provided on a year-to-year basis, with no requirement that the program be renewed at all, or if renewed, that funding levels be maintained or increased.

The Association's contract for the service program with the state contains a number of terms regarding service provision, insurance requirements, etc. Management is of the opinion that the Association is in substantial compliance with those terms. Case managers monitor the Association's records periodically.

NOTE 6. ACCRUED EXPENSES

The accrued expenses consist of compensated absences at the year-end in the amount of \$1,927.

**WEST CARROLL ASSOCIATION
FOR RETARDED CITIZENS, INC.
Oak Grove, Louisiana**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2005**

SUMMARY OF AUDITOR'S RESULTS

1. My auditor's report expresses an unqualified opinion on the general purpose financial statements of the West Carroll Association For Retarded Citizens, Inc.
2. There were no instances of noncompliance material to the financial statements of the West Carroll Association For Retarded Citizens, Inc., as required to be reported in accordance with *Government Auditing Standards*.
3. There were no major federal awards.

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 Directors
West Carroll Association for Retarded Citizens, Inc.
Oak Grove, Louisiana

I have audited the financial statements of West Carroll Association for Retarded Citizens, Inc., (a nonprofit organization) as of and for the year ended June 30, 2005, and have issued my report thereon dated December 15, 2005. I conducted my 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.

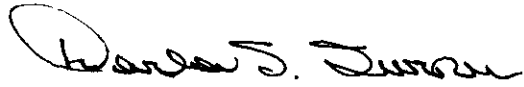
Internal Control Over Financial Reporting

In planning and performing my audit, I considered West Carroll Association for Retarded Citizens, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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 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 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

Compliance

As part of obtaining reasonable assurance about whether West Carroll Association for Retarded Citizens, Inc.'s financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

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

A handwritten signature in black ink, appearing to read "Darla S. Turner". The signature is written in a cursive style with a large initial "D".

DARLA S. TURNER
CERTIFIED PUBLIC ACCOUNTANT

December 15, 2005