

**JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES**

**FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION**

YEAR ENDED JUNE 30, 2011

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 SEP 28 2011

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION
YEAR ENDED JUNE 30, 2011

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Jordan United Methodist Church
dba Family Outreach Restoration Ministries
4619 Stearns Street
Baton Rouge, Louisiana 70811

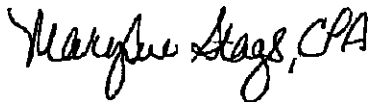
We have audited the accompanying statement of financial position of the Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministries as of June 30, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements 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 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 Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministries as of June 30, 2011, 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 a report dated July 23, 2011, on our consideration of the Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministrie's internal control over financial reporting and on our tests of its compliance with laws, regulations, contracts, 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 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 conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.



Mary Sue Stages, CPA
A Professional Accounting Organization
July 23, 2011

FINANCIAL STATEMENTS

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2011

ASSETS

Cash and cash equivalents	\$ 248.46
Property and equipment, net	<u>201.92</u>
TOTAL ASSETS	<u><u>450.38</u></u>

LIABILITIES

Accounts payable	166.66
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NET ASSETS

Unrestricted	<u>283.72</u>
Total Net Assets	<u>283.72</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>450.38</u></u>

See Accompanying Notes and Independent Auditors' Report

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011

UNRESTRICTED NET ASSETS

UNRESTRICTED REVENUES AND GAINS	\$ -
NET ASSETS RELEASED FROM RESTRICTIONS	
Restrictions satisfied by payments	<u>30,000.00</u>
Total Unrestricted Revenues, Gains and Other Support	30,000.00
EXPENSES	
Program Services	
Youth programs	29,960.00
Supporting Services	
General and administrative	<u>174.08</u>
Total Expenses	<u>30,134.08</u>
DECREASE IN UNRESTRICTED NET ASSETS	(134.08)

TEMPORARILY RESTRICTED NET ASSETS

Support from Strengthening Families Program	30,000.00
Net assets released from restrictions:	
Restrictions satisfied by payments	<u>(30,000.00)</u>
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>-</u>
CHANGE IN NET ASSETS	(134.08)
NET ASSETS, BEGINNING OF PERIOD	<u>417.80</u>
NET ASSETS, END OF PERIOD	<u><u>283.72</u></u>

See Accompanying Notes and Independent Auditors' Report

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2011

<u>Account Name</u>	<u>Program</u>	<u>Supporting</u>	<u>Total</u>
	<u>Youth</u>	<u>General & Admin</u>	
Bank charges	\$ -	\$ 40.00	\$ 40.00
Food and other program supplies	1,562.66	-	1,562.66
Facilities - rent	3,300.00	-	3,300.00
Professional services:			
Directors	8,736.84	-	8,736.84
Coordinators	2,412.50	-	2,412.50
Facilitators	8,400.00	-	8,400.00
Transportation	1,850.00	-	1,850.00
Cooks	1,698.00	-	1,698.00
Data Technician	2,000.00	-	2,000.00
Depreciation	-	134.08	134.08
Total Expenses	29,960.00	174.08	30,134.08

See Accompanying Notes and Independent Auditors' Report

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2011

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from grantors	\$ 30,000.00
Cash paid to contractors for services	(23,097.34)
Cash paid to suppliers for goods	<u>(6,736.00)</u>
Net Cash Provided by Operating Activities	166.66
CASH FLOWS FROM INVESTING ACTIVITIES	
	-
CASH FLOWS FROM FINANCING ACTIVITIES	
	<u>-</u>
INCREASE IN CASH AND CASH EQUIVALENTS	166.66
CASH AND CASH EQUIVALENTS, BEGINNING	<u>81.80</u>
CASH AND CASH EQUIVALENTS, ENDING	<u><u>248.46</u></u>
 RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Change in net assets	\$ (134.08)
 Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	134.08
(Increase) decrease in assets:	-
Increase (decrease) in liabilities:	
Accounts payable	<u>166.66</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>166.66</u></u>

See Accompanying Notes and Independent Auditors' Report

NOTES TO FINANCIAL STATEMENTS

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
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JUNE 30, 2011

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JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Jordan United Methodist Church began operating as a non-profit religious corporation in March of 1954, and is domiciled in Scotlandville, Louisiana. Family Outreach Restoration Ministries (hereinafter referred to as the Organization) is an outreach program and operates under the guidance of the Church.

The accounting policies of the Organization conform to accounting principles generally accepted in the United States of America as applicable to non-profit organizations. The significant accounting policies are as follows:

Method of Accounting

The financial statements of the Organization have been prepared utilizing the accrual basis of accounting.

Financial Statement Presentation

The Organization has adopted 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. In addition, it is required to present a statement of cash flows.

Contributions

The Organization has elected to adopt SFAS No. 116, "*Accounting for Contributions Received and Contributions Made*". In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose of the restriction.

Contributed Goods and Services

No amounts have been recognized in the accompanying financial statements because not all of the criteria for recognition under SFAS No. 116, "*Accounting for Contributions Received and Contributions Made*", were satisfied.

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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Property and equipment purchased by the Organization is recorded at cost. They are depreciated using the straight-line method over the estimated useful lives of the assets. Equipment with an original cost of \$500 or greater is capitalized. Items with a cost of less than \$500 may be capitalized at the discretion of management. Interest during the construction or renovation of long-lived assets is normally capitalized. The earnings on the borrowings reduce this amount during the same period, if any.

Income Taxes

The Church is a not-for-profit Organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no liability or expense has been recorded in the accompanying financial statements.

NOTE 2 – CASH AND CASH EQUIVALENTS

At June 30, 2011, the Organization had \$248.46 in demand deposits. Collected bank balances were \$1,048.46, secured through the Federal Deposit Insurance Organization.

There were no funds at risk at any point during the year.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2011:

Computer	\$ 419.99
Less: accumulated depreciation	<u>(218.07)</u>
Net	<u>201.91</u>

NOTE 4 – LEASES

The Organization leases space on a month-to-month basis for conducting meeting and other activities associated with the Strengthening Families Program. Payments during the grant period totaled \$3,300.

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE 5 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the expiration of time during the year.

Purpose restriction accomplished:

Primary prevention programs	\$ <u>30,000.00</u>
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NOTE 6 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services of the Organization 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. This allocation is summarized in the statement of functional expenses.

NOTE 7 – LIQUIDITY OF ASSETS AND LIABILITIES

The liquidity of the Organization's assets and liabilities are as follows:

Cash and cash equivalents	\$ <u>248.46</u>
Total Current Assets	248.46
Accounts and other payables	<u>166.66</u>
Liquidity	<u>81.80</u>

NOTE 8 – RELATED PARTY TRANSACTIONS

During the year, the Organization paid the Church \$3,30 for space utilized for the activities of the Strengthening Families Program. The Organization operates under the guidance of the Church.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Litigation and Claims. There is no pending or threatened litigation against the Organization.

NOTE 10 – SUBSEQUENT EVENTS

There were no subsequent events that would materially impact the accompanying financial statements.

SUPPLEMENTAL INFORMATION

**JORDAN UNITED METHODIST CHURCH
 dba FAMILY OUTREACH RESTORATION MINISTRIES
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2011**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal Expenditures
<i>Major Programs</i>		
None		
<i>Other Federal Awards</i>		
U.S. Department of Health and Human Services		
Pass-Through Capital Area Human Services District		
Block Grant for Prevention and Treatment of Substance Abuse: Strengthening Families Program	93.959	\$ <u>29,833.34</u>
Total Expenditures		<u><u>29,833.34</u></u>

**Notes to Schedules of Expenditures of Federal Awards
 Year Ended June 30, 2011**

Basis of Presentation

This schedule of expenditures of federal awards includes the federal grant activity of Jordan United Methodist Church dba Family Outreach Restoration Ministries and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*.

See Independent Auditors' Report

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Governmental Audit Quality Control Center

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

To the Board of Trustees of
Jordan United Methodist Church
dba Family Outreach Restoration Ministries
4619 Stearns Street
Baton Rouge, Louisiana 70811

We have audited the financial statements of the Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministries (a non-profit corporation) as of and for the year ended June 30, 2011, and have issued our report thereon dated July 23, 2011. 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministries' 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 is required to be reported under *Government Auditing Standards*.

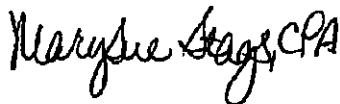
Internal Control over Financial Reporting

In planning and performing our audit, we considered the Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministries' 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 Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministries' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministries' 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 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 consideration of the 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 over financial reporting 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.

This report is intended solely for the information and use of management, others within the agency, the Legislative Auditor 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA
A Professional Accounting Corporation
July 23, 2011

**JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2011**

We have audited the financial statements of the Strengthening Families Program of Jordan United Methodist Church dba Family Outreach Restoration Ministries as of and for the year ended June 30, 2011, and have issued our report thereon dated July 23, 2011. We conducted our audit in accordance with 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. Our audit of the financial statements as of June 30, 2011, resulted in an unqualified opinion.

Section I Summary of Auditors' Report

1. Report on Compliance and Internal Control Material to the Financial Statements

Compliance	Material to Statements	■ No
Internal Control	Control Deficiency (ies)	■ No
	Material Weakness	■ No

2. Federal Awards

Compliance	Material to Statements	■ No
Internal Control	Control Deficiency (ies)	■ No
	Material Weakness	■ No

3. Identification of Major Programs

Programs tested as major programs included all federal programs as listed in the schedule of expenditures of federal awards.

The threshold used for distinguishing between Type A and B programs was \$500,000.

Section II Financial Statement Findings

N/A

Section III Federal Award Findings and Questioned Costs

N/A

**JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTRIES
SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2011**

Section I Internal Control and Compliance Material to the Financial Statements

N/A

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Financial Statement Findings

2010-01 Compliance with Audit Law

Condition. The Organization did not comply with the audit law in regards to timely filing of its audited financial statements by December 31, 2010.

Recommendation. To provide the books/records of the Organization to the auditor in sufficient time for the engagement to be effectively completed and delivered to the Legislative Auditor and Capital Area Human Services District by June 30th.

Disposition. Resolved

Section IV Management Letter

N/A

JORDAN UNITED METHODIST CHURCH
dba FAMILY OUTREACH RESTORATION MINISTERIE
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2011

Section I Internal Control and Compliance Material to the Financial Statements

N/A

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Financial Statement Findings

N/A

Section IV Management Letter

N/A