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FAMILY VALUES RESOURCE INSTITUTE, INC.  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2006

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 4/11/07

*Certified Public Accountant*



*Donald C. DeVille*

Member  
American Institute CPAs

Member  
Louisiana Society CPAs

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BATON ROUGE, LA 70810  
(225) 767-7829

February 7, 2007

To the Members of the Board  
Family Values Resource Institute, Inc.  
7515 Scenic Highway  
Baton Rouge, LA 70807

I have compiled the accompanying Statement of Financial Position as of December 31, 2006, and the related Statement of Activities and Cash Flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Respectively submitted,

FAMILY VALUES RESOURCE INSTITUTE, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2006

ASSETS

Cash in Bank	\$7,329
Warehouse	150,000
Equipment	6,600
Accumulated Depreciation	(25,320)
Total Assets	<u>138,609</u>

LIABILITIES AND NET ASSETS

LIABILITIES:	
Line of Credit-Exxon/Mobil FCU	\$11,946
Line of Credit-Hancock Bank	19,565
Mortgage-Napoli Family Partnership	99,015
Total Liabilities	<u>130,526</u>
NET ASSETS	
Net Assets	<u>8,083</u>
TOTAL LIABILITIES & NET ASSETS	<u>138,609</u>

(See Accountant's Compilation Report)

FAMILY VALUES RESOURCE INSTITUTE, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2006

INCOME	
Contributions	\$99,200
State and Local Grants	195,011
Federal Grants	6,257
Private Grants	57,679
Program Fees	4,000
Miscellaneous Income	12,857
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TOTAL INCOME	375,004
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EXPENSES	
Automobile Expense	5,766
Bank Charges	1,092
Board Expense	219
Depreciation	5,320
Dues and Subscriptions	1,118
Employee Benefits	7,575
Equipment Rental	6,096
Fundraiser	2,211
Insurance	22,734
Interest	2,741
Office Expense	260
Miscellaneous	3,614
Salaries	157,096
Occupancy	8,733
Payroll Taxes	31,948
Postage	1,930
Printing	150
Professional	9,730
Program Expense	52,927
Supplies	29,037
Telephone & Internet	7,616
Travel & Training/Work Shops	6,527
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TOTAL EXPENSES	364,440
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DECREASE IN NET ASSETS	10,564
NET ASSETS, BEGINNING OF YEAR	(2,481)
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NET ASSETS, END OF YEAR	8,083
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(See Accountant's Compilation Report)

FAMILY VALUES RESOURCE INSTITUTE, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2006

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase (Decrease) in Net Assets \$10,564

Adjustments To Reconcile Increase In Net Assets  
To Net Cash Provided By Operating Activities:  
Depreciation

5,320

(Increase) Decrease In Operating Assets:

Accounts Receivables

-0-

Increase (Decrease) In Operating Liabilities:

Accounts Payable

-0-

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

15,884

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchase of Equipment

(1,600)

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds From Line of Credit

16,500

Repayment of Line of Credit

(26,437)

(9,937)

NET INCREASES (DECREASE) IN CASH

4,347

CASH AND CASH EQUIVALENTS, Beginning of Year

2,982

CASH AND CASH EQUIVALENTS, End of Year

7,329

SUPPLEMENTAL DATA:

Interest paid

\$ 2,741

(See Accountant's Compilation Report)

**FAMILY VALUES RESOURCE INSTITUTE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

**NOTE #1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The Family Values Resource Institute, Inc. is a Louisiana non-profit corporation, incorporated in April 20, 1998 for the purpose to enable, empower, and encourage the family to overcome barriers to achieving their potential through education, vocational training, creative arts, and support services.

**BASIS OF ACCOUNTING**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**CONTRIBUTIONS**

All contributions are considered to be 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. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization has no temporarily or permanently restricted net assets.

**INCOME TAXES**

The Organization is a not-for-profit organization that is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code and therefore has not made any provision for federal income taxes in the income taxes in the accompanying financial statements. In addition, the organization has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509 (a) of the Internal Revenue Code. There was no unrelated business income during the year.

**USE OF ESTIMATES:**

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

**REVENUE RECOGNITION:**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

**FAMILY VALUES RESOURCE INSTITUTE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

**NOTE #1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

All donor-restricted contributions are reported as increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose 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.

**CONTRIBUTED SERVICES:**

The organization receives a substantial amount of services donated. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition under SFAS No. 116, Accounting for Contributions Received and Contributions Made.

**CASH EQUIVALENTS:**

Cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

**PREPAID:**

Insurance and similar services which extend over more than one accounting period have been recorded as expense.

**FIXED ASSETS:**

Acquisitions of property and equipment in excess of \$500 are capitalized. Property and equipment are carried at cost or if donated, at the approximate fair value at the date of donation. Depreciation has not been computed.

**CONCENTRATION OF CREDIT RISK**

The Organization maintains investments with a commercial bank, which sometimes may exceed the amount insured by the Federal Deposit Insurance Corporation of \$100,000.

**CONCENTRATION OF SUPPORT**

During the year ended **December 31, 2006**, the Organization derived approximately **54%** of its revenue from state, local and federal grants.

**NOTE #2. CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK**

The Family Values Resources Institute, Inc. maintains one bank account at a financial institution. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. Cash at this institutions did not exceed the Federally insured limits.

**FAMILY VALUES RESOURCE INSTITUTE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

**NOTE #3. EQUIPMENT**

Equipment at year-end consist of the following:

Equipment	\$6,600
Warehouse	150,000
Less: Accumulated Depreciation	(25,320)
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Equipment Book Value	138,609
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**NOTE #4. LOANS PAYABLE**

The Family Values Resource Institute, Inc. has a \$10,000 revolving line of credit at 6.5% at the Exxon/Mobile Federal Credit Union. At year-end the outstanding balance was \$11,946.

The Family Values Resource Institute, Inc. also has a \$30,000 revolving line of credit at 7.5% at Hancock Bank. At year-end the outstanding balance was \$19,565.

The Family Values Resource Institute, Inc. has a \$99,015 mortgage payable to the Napoli Family Partnership payable over 20 years at 7%.

Future principal reduction totals:	\$36,748 in 2007
	5,613 in 2008
	6,019 in 2009
	6,454 in 2010
	6,921 in 2011
	68,771 Thereafter

**NOTE #5. LEASE OBLIGATIONS**

The Organization Leases a couple of vans on a month basis at \$1,012 per month for three years. The Lease expires in April 2006. Rental expense was \$5,766 for the year ended December 31, 2006.

**FAMILY VALUES RESOURCE INSTITUTE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

**NOTE #6. CONTINGENCIES**

The Family Values Resource Institute, Inc. received a portion of its revenues from government grants and contracts, all of which are subject to audit by the governments. The ultimate determination of amounts received under these programs generally is based upon allowable cost reported to and are subject to audit by the government. Until such audits, if any, there exists a contingency to refund any amount received in excess of allowable cost. Management is of the opinion that no material liability will result from such audits.

**NOTE #7. RISK MANAGEMENT**

The Family Values Resource Institute, Inc. is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage for the prior year. No settlements were made during the year that exceeded the Organization's coverages.

The Organization's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss, as a result of business interruption and certain acts of God, like floods or earthquakes.

SUPPLEMENTAL INFORMATION

FAMILY VALUES RESOURCE INSTITUTE, INC.  
SCHEDULE OF PRIOR YEARS FINDINGS  
YEAR ENDED DECEMBER 31, 2006

<u>REF</u> <u>NO.</u>	<u>FISCAL YEAR</u> <u>FINDING</u> <u>INITIALLY</u> <u>OCCURRED</u>	<u>DESCRIPTION OF FINDING</u>	<u>CORRECTIVE</u> <u>ACTION TAKEN</u> <u>(YES, NO, PARTIALLY)</u>	<u>CORRECTIVE</u> <u>ACTION/PARTIAL</u> <u>CORRECTIVE</u> <u>ACTION TAKEN</u>
1	12-31-05	Organization Had A Fund Deficit	Yes	There is No Longer A Fund Deficit

FAMILY VALUES RESOURCE INSTITUTE, INC.  
SCHEDULE OF CURRENT YEARS FINDINGS  
DECEMBER 31, 2006

NONE

BATON ROUGE BLACK ALCOHOLISM COUNCIL, INC.  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2006

REF NO.	DESCRIPTION OF FINDING	CORRECTIVE ACTION PLANNED	NAME OF CONTACT PERSON	ANTICIPATED COMPLETION DATE
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Not Applicable