

8284

RECEIVED  
LEGISLATIVE AUDITOR  
05 JUL -1 AM 11:38

**FIFTH WARD VOLUNTEER  
FIRE DEPARTMENT, INC.**

Financial Report

Year Ended December 31, 2004

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 7-13-05

## TABLE OF CONTENTS

	Page
Accountants' Report	1
FINANCIAL STATEMENTS	
Statements of financial position	3
Statements of activities	4
Statements of cash flows	5
Notes to financial statements	6-10

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
Conrad O. Chapman, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*

P.O. Box 531  
Marksville, LA 71351

Phone (318) 253-9252  
Fax (318) 253-8681

WEB SITE:  
WWW.KCSRPCAS.COM

Robert S. Carter, CPA  
Allen J. LaBry, CPA  
Harry J. Clostio, CPA  
Penny Angele Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
Kelly M. Doucet, CPA  
Kenneth J. Rachal, CPA  
Cheryl L. Bartley, CPA, CVA

MEMBER OF:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

\* A Professional Accounting Corporation

## ACCOUNTANTS' REPORT

To the Board of Directors  
Fifth Ward Volunteer Fire Department, Inc.  
Marksville, Louisiana

We have compiled the accompanying statement of financial position of Fifth Ward Volunteer Fire Department, Inc. (a nonprofit organization), as of December 31, 2004, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Marksville, Louisiana  
June 29, 2005

183 South Beadie Road  
Lafayette, LA 70508  
Phone (337) 232-4141  
Fax (337) 232-8660

113 East Bridge Street  
Breaux Bridge, LA 70517  
Phone (337) 332-4020  
Fax (337) 332-2867

133 East Waddil  
Marksville, LA 71351  
Phone (318) 253-9252  
Fax (318) 253-8681

1234 David Drive, Suite 105  
Morgan City, LA 70380  
Phone (985) 384-2020  
Fax (985) 384-3020

408 W Cotton Street  
Ville Platte, LA 70586  
Phone (337) 363-2792  
Fax (337) 363-3049

332 W Sixth Avenue  
Oberlin, LA 70655  
Phone (337) 639-4737  
Fax (337) 639-4568

200 South Main Street  
Abbeville, LA 70510  
Phone (337) 893-7944  
Fax (337) 893-7946

**FINANCIAL STATEMENTS**

FIFTH WARD VOLUNTEER FIRE DEPARTMENT  
Marksville, Louisiana

Statement of Financial Position  
(Unaudited)  
December 31, 2004

ASSETS

Current assets:	
Cash and cash equivalents	\$ 8,492
Accounts receivable	<u>50,412</u>
Total current assets	<u>58,904</u>
Fixed assets:	
Building and improvements	185,618
Equipment	144,793
Trucks	<u>283,244</u>
Total fixed assets	613,655
Less: accumulated depreciation	<u>(314,327)</u>
Net fixed assets	<u>299,328</u>
Total assets	<u>\$ 358,232</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Current portion of notes payable	\$ 12,836
Accounts payable	250
Accrued interest payable	<u>378</u>
Total current liabilities	13,464
Long-Term liabilities:	
Notes payable (net of current portion)	<u>13,668</u>
Total liabilities	<u>27,132</u>
Net Assets:	
Unrestricted net assets -	
Operations	58,654
Fixed assets	<u>272,446</u>
Total unrestricted net assets	<u>331,100</u>
Total liabilities and net assets	<u>\$ 358,232</u>

See accountants' report.

FIFTH WARD VOLUNTEER FIRE DEPARTMENT  
Marksville, Louisiana

Statement of Activities  
(Unaudited)  
For the year Ended December 31, 2004

Support and revenue:	
Support	
Contributions	\$ 1,200
Total support	<u>1,200</u>
Revenue	
Ad valorem taxes	60,364
Fire insurance rebate	7,470
Miscellaneous	181
Grants	<u>58,554</u>
Total revenue	<u>126,569</u>
 Total support and revenue	 <u>127,769</u>
 Expenses:	
Fuel	426
Depreciation	27,880
Bank Charges	66
Dues and Subscriptions	403
Training	1,678
Insurance	5,611
Interest	2,833
Office	387
Repairs	5,879
Telephone	461
Accounting	650
Other	<u>1,432</u>
 Total expenses	 <u>47,706</u>
 Change in net assets	 80,063
 Net assets, beginning of year	 <u>251,037</u>
 Net assets, end of year	 <u>\$331,100</u>

See accountants' report.

FIFTH WARD VOLUNTEER FIRE DEPARTMENT  
Marksville, Louisiana

Statement of Cash Flows  
(Unaudited)  
For the year Ended December 31, 2004

Cash flows provided for operating activities:	
Change in net assets	<u>\$ 80,063</u>
Adjustments to reconcile change in net assets to net cash provided for operating activities -	
Depreciation	27,880
Increase in accounts receivable	(12,738)
Increase in accounts payable	<u>9</u>
Total adjustments	<u>15,151</u>
Net cash provided for operating activities	<u>95,214</u>
Cash flows from investing activities:	
Purchase of equipment	<u>(67,295)</u>
Total cash used for investing activities	<u>(67,295)</u>
Cash flows from financing activities:	
Decrease in accrued interest payable	(841)
Payment of principle on notes	<u>(30,453)</u>
Net cash used by financing activities	<u>(31,294)</u>
Net decrease in cash and cash equivalents	(3,375)
Cash and cash equivalents, beginning of year	<u>11,867</u>
Cash and cash equivalents, end of year	<u>\$ 8,492</u>

See accountants' report.

FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
Marksville, Louisiana

*Notes to Financial Statements*

(1) Summary of Significant Accounting Policies

Fire Department

The Fifth Ward Volunteer Fire Department, Inc. (Fire Department) was incorporated on March 13, 1985 as a nonprofit corporation as defined in Louisiana Revised Statutes of R. S. 1950 Title 12, Chapter 2, as amended. The Fire Department operates under a Board of Directors consisting of a president, vice-president, and secretary-treasurer and is elected on an annual basis. The members of the Fifth Ward Volunteer Fire Department, Inc. vote on all matters brought before the Board. The Fire Department serves approximately 1,383 structures and meetings are held quarterly. The following is a summary of certain significant accounting policies.

A. Financial Statement Presentation:

The Fire Department adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Fire Department 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) based upon the existence or absence of donor-imposed restrictions.

The Fire Department also adopted 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. In addition, the Fire Department has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

B. Basis of Accounting

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

C. Cash Equivalents

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

FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
Marksville, Louisiana

Notes to Financial Statements

D. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1st and are due and payable on or before December 31. All unpaid taxes become delinquent January 2 of the following year. The taxes are assessed by the Avoyelles Parish Assessor's Office and collected by the Avoyelles Parish Sheriff's Office. The taxes are then remitted to the Avoyelles Parish Police Jury on behalf of Fire Protection District No. 2. The Fire Department is one of 14 members in this District. After deducting a fee of \$20,000 to defray the expenses of the Board of Commissioners of the Fire Protection District, each member is guaranteed a base amount of \$25,000. Any remaining funds are distributed to the members on a basis of structures served.

E. 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.

F. Fixed Assets

Fixed assets acquired by the Fire Department are considered to be owned by it.

The Fire Department follows the practice of capitalizing, at cost, all expenditures for fixed assets. Depreciation is computed on a straight-line basis over the useful lives of the assets generally as follows:

Building and improvements	15- 30 years
Furniture and equipment	5-10 years
Vehicles	10-20 years

The net fixed asset balance has been recorded as a separate component in unrestricted net assets.

FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
Marksville, Louisiana

Notes to Financial Statements

(2) Deposits and Investments

Deposits

At year-end, the carrying amount of the Fire Department's deposits was \$8,492 and the bank balance was \$ 8,492. Of the bank balance, \$ 8,492 was covered by federal depository insurance. Of this amount, \$ 4,172 was tax monies, which is restricted to be expended on fire equipment and supplies.

Certificates of Deposit

The Fire Department had no Certificates of Deposit at December 31, 2004.

(3) Accounts Receivable

The billed receivable balance at December 31 of \$ 50,412 consisted of property taxes due from the Fire Protection District No. 2 of \$ 50,112, and \$ 300 receivable from the Avoyelles Parish Police Jury.

(4) Fixed Assets

A summary of changes in Property, Plant and Equipment are as follows:

	<u>Balance</u> <u>12/31/2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2004</u>
Land and buildings	\$ 185,618	\$ -	\$ -	\$ 185,618
Equipment	77,498	67,295	-	144,793
Trucks	283,244	-	-	283,244
	<u>\$ 546,360</u>	<u>\$ 67,295</u>	<u>\$ -</u>	<u>\$ 613,655</u>

FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
Marksville, Louisiana

Notes to Financial Statements

(5) Changes in Long-term Debt

The following is a summary of note transactions of the Fire Department for the year ended December 31, 2004:

Notes payable at 12/31/03	\$ 56,957
Debt issued	-
Principal payments	<u>(30,453)</u>
Notes payable at 12/31/04	<u>\$ 26,504</u>

Notes payable (current and long-term portions) are financed with Federal Signal Corporation, Oak Brook, IL.

Notes payable at December 31, 2004 consist of the following individual liabilities:

bearing interest at 6.49% per annum. Final maturity date October 12, 2007. Annual payments of \$18,515.	<u>\$ 26,504</u>
	26,504
Less current portion	<u>(12,836)</u>
Long-term portion of notes payable	<u>\$ 13,668</u>

The annual requirements to amortize all notes outstanding at December 31, 2004 are as follow:

Period Ending December 31,	Principal	Interest	Total
2005	\$ 12,836	\$ 1,720	\$ 14,556
2006	<u>13,668</u>	<u>887</u>	<u>14,555</u>
Total	<u>\$ 26,504</u>	<u>\$ 2,607</u>	<u>\$ 29,111</u>

FIFTH WARD VOLUNTEER FIRE DEPARTMENT, INC.  
Marksville, Louisiana

Notes to Financial Statements

6) Retirement Commitments

Individuals who serve the Fire Department are volunteers; therefore, there is no liability for retirement benefits.

(7) Commitments and Contingencies

As of December 31, 2004 there were no lawsuits against the Fire Department.

(8) Federal Grants

During the year ended December 31, 2004, the district purchased radios, pagers and turn-out gear for \$ 66,756. This equipment was purchased with grant proceeds from FEMA in the amount of \$ 58,554 and local monies in the amount of \$ 8,202.