

**CITY OF REFUGE, INC.**  
**COMPILED**  
**FINANCIAL STATEMENTS**  
**Year Ended October 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 4/20/11

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# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS  
A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009  
Phone (504) 837-9116 • Fax (504) 837-0123 • [www.rebowe.com](http://www.rebowe.com)

## ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
City of Refuge, Inc.  
Kenner, Louisiana 70062

We have compiled the accompanying Statement of Financial Position of City of Refuge, Inc. (a nonprofit "Organization") as of October 31, 2006, and the related Statements of Activities, Functional Expenses, 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.

*Rebowe & Company*

January 3, 2011

## **FINANCIAL STATEMENTS**

**CITY OF REFUGE, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**October 31, 2006**

ASSETS

Current Assets:	
Cash and Cash Equivalents	<u>\$ 34,446</u>
Total Current Assets	<u>34,446</u>
Investments	<u>47,174</u>
Property and Equipment:	
Land	32,331
Equipment	<u>26,993</u>
	59,324
Less: Accumulated Depreciation	<u>(20,544)</u>
Total Property and Equipment	<u>38,780</u>
Total Assets	<u><u>\$ 120,400</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Payroll and Payroll Taxes Payable	<u>\$ 12,805</u>
Total Current Liabilities	<u>12,805</u>
Total Liabilities	<u>12,805</u>
Net Assets:	
Unrestricted	<u>107,595</u>
Total Net Assets	<u>107,595</u>
Total Liabilities and Net Assets	<u><u>\$ 120,400</u></u>

See accompanying notes and accountant's report.

**CITY OF REFUGE, INC.**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended October 31, 2006**

Unrestricted Net Assets:	
Revenue and Support:	
Program Revenue	\$ 55,503
Investment Income	<u>5,188</u>
Total Unrestricted Revenue and Support	<u>60,691</u>
Expenses:	
Program Services	50,485
Management and General	<u>9,451</u>
Total Expenses	<u>59,936</u>
Increase in Unrestricted Net Assets	<u>755</u>
INCREASE IN NET ASSETS	755
NET ASSETS, Beginning of Fiscal Year	<u>106,840</u>
NET ASSETS, End of Fiscal Year	<u><u>\$ 107,595</u></u>

See accompanying notes and accountant's report.

**CITY OF REFUGE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended October 31, 2006**

	Program Services	Supporting Services Management and General	Total Expenses
Payroll and Payroll Taxes (Executive Director)	\$ 10,598	\$ 7,686	\$ 18,283
Travel	12,676	-	12,676
Outside Contract Services	6,218	691	6,909
Utilities	5,241	582	5,823
Depreciation Expense	5,678	-	5,678
General Liability Insurance	4,095	-	4,095
Supplies	3,349	-	3,349
Nutritionist Consultant	1,337	149	1,485
Miscellaneous	1,294	144	1,438
Dues and Subscriptions	-	200	200
<b>Total Expenses</b>	<b>\$ 50,485</b>	<b>\$ 9,451</b>	<b>\$ 59,936</b>

See accompanying notes and accountant's report.

**CITY OF REFUGE, INC.**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended October 31, 2006**

Cash Flows From Operating Activities:	
Increase in net assets	\$ 755
Adjustments to reconcile increase in net assets to cash used in operating activities:	
Depreciation	5,678
Unrealized gain on investment	(5,188)
Increase in Payroll and Payroll Taxes Payable	<u>6,508</u>
Net Cash Provided by Operating Activities	<u>7,753</u>
Cash Flows From Investing Activities:	
Purchase of Property and Equipment	<u>(11,319)</u>
Net Cash Provided by Investing Activities	<u>(11,319)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,566)
CASH AND CASH EQUIVALENTS - Beginning of Fiscal Year	<u>38,012</u>
CASH AND CASH EQUIVALENTS - End of Fiscal Year	<u>\$ 34,446</u>

See accompanying notes and accountant's report.

**CITY OF REFUGE**  
**NOTES TO FINANCIAL STATEMENTS**  
**October 31, 2006**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

City of Refuge, Inc. (the "Organization") is a non-profit organization providing assistance and counseling to the community for drug and alcohol prevention programs, teen pregnancy prevention programs, welfare to work programs, and other educational programs that promote the general welfare of the community. The Organization is located in Kenner, Louisiana.

**Basis of Accounting**

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

**Basis of Presentation**

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic 958, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958, 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. Also, the Organization's financial statements follow ASC 958-320, *Accounting for Certain Investments Held by Not-for-Profit Organizations*.

**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

**Property and Equipment**

The Organization capitalizes all expenditures for property and equipment in excess of \$100. Property and equipment is recorded at cost or if donated, at the approximate fair value at the date of donation. Depreciation is computed using a straight-line method over the estimated useful lives of the assets.

**Investments**

Under FASB ASC Topic 958, *Financial Statements of Not-for-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

**CITY OF REFUGE**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**October 31, 2006**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 assets classes. When a temporary restriction expires, temporarily restricted net assets are classified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

**Income Taxes**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent Events**

Subsequent events have been evaluated through January 3, 2011.

**NOTE 2 - INVESTMENTS**

Investments as of October 31, 2006 are stated at fair value and consist of a fixed interest account offered through a deferred annuity contract, as follows:

	<u>Cost</u>	<u>Fair Value</u>
Fixed Interest Account (Deferred Annuity Contract)	<u>\$38,725</u>	<u>\$47,174</u>

The following schedule summarizes the investment income and its classification in the Statement of Activities for the fiscal year ended October 31, 2006:

	<u>Unrestricted</u>
Unrealized gain on investment	<u>\$5,188</u>

**CITY OF REFUGE**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**October 31, 2006**

**NOTE 3 - PROPERTY AND EQUIPMENT**

Property and equipment as of October 31, 2006 consists of the following:

Land (2751 Gadsden St., Kenner La.)	\$ 32,331
Equipment	26,993
Less Accumulated Depreciation	<u>(20,544)</u>
Property and Equipment, Net	<u>\$ 38,780</u>

Depreciation expense was \$5,678 for the fiscal year ended October 31, 2006.

**NOTE 4 - 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 program and supporting services benefited.

**NOTE 5 - CONCENTRATIONS**

The majority of the Organization's revenues for the year ended October 31, 2006 was derived from contributions from local organizations and individuals in the New Orleans area.

**NOTE 6 - UNPAID PAYROLL TAXES**

Unpaid payroll taxes (including penalty and interest) for the year ended October 31, 2006 are estimated to be approximately \$6,500. This amount is classified on the Statement of Financial Position as Payroll and Payroll Taxes Payable. The total amount was paid on January 3, 2011.

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March 9, 2011

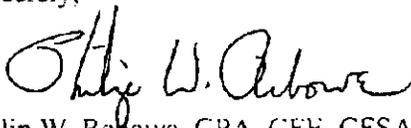
Rev. Mark B. Mitchell  
Executive Director  
City of Refuge, Inc.  
2751 Gadsden St.  
Kenner, LA 70062

Dear Rev. Mitchell:

In accordance with Louisiana Revised Statute 24:513, for the years ended October 31, 2006 and 2007, City of Refuge, Inc. is required to submit financial statements compiled by a licensed certified public accountant to the Louisiana Legislative Auditor. The compiled financial statements are required to be filed with the Louisiana Legislative Auditor no later than six (6) months following the end of City of Refuge, Inc.'s fiscal year. The compiled financial statements filed with the Louisiana Legislative Auditor were not filed in a timely manner and therefore City of Refuge, Inc.'s compiled financial statements for the years ended October 31, 2006 and 2007 are delinquent.

The compiled financial statements were filed with the Louisiana Legislative Auditor on January 28, 2011.

Sincerely,



Philip W. Rebowe, CPA, CFE, CFSA