

RECEIVED  
FOR  
04 MAY 14 AM 11:12

AVONDALE VOLUNTEER FIRE COMPANY, INC  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDING DECEMBER 31, 2003

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 5.19.04

Justin A. McCarthy  
Certified Public Accountant  
129 Yvonne Drive  
Avondale, Louisiana 70094  
504 436 1874

T A B L E O F C O N T E N T S

	Page
AUDITOR'S REPORT	1
GENERAL PURPOSE FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund Types and Account Groups	2
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund	3
Notes to the Financial Statements	4 - 5
Report on Compliance Based on Audit of General Purpose Financial Statements	6
Report on Internal Control Structure in Accordance with Government Auditing Standards	7 - 8

Justin A. McCarthy  
Certified Public Accountant  
129 Yvonne Drive  
Avondale, Louisiana 70094

Ph. 504 436 1874

INDEPENDENT AUDITOR'S REPORT

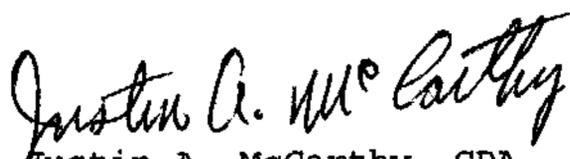
To the Board of Directors of the  
Avondale Volunteer Fire Company, Inc.

I have audited the accompanying general purpose financial statements of the Avondale Volunteer Fire Company, Inc. as of and for the year ending December 31, 2003 and the related statements of revenue, expenditures, and changes in fund balance for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Volunteer Fire Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted the audit in accordance with generally accepted auditing standards. 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 general purpose financial statements referred to in the first paragraph, presents fairly in all material respects, the financial position of Avondale Volunteer Fire Company, Inc. as of December 31, 2003, the results of its operations for the year then ending in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated January 25, 2004 on our consideration of Avondale Volunteer Fire Co., Inc. internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

  
Justin A. McCarthy, CPA  
Avondale, Louisiana  
January 25, 2004

AVONDALE VOLUNTEER FIRE CO., INC.  
 COMBINED BALANCE SHEET - ALL TYPES AND ACCOUNTS GROUPS  
 DECEMBER 31, 2003

	Governmental Fund Type		Account Group	
	----- General Fund -----		----- General Fixed Assets -----	----- Long Term Debt -----
				----- Total Memorandum Only -----
<b>ASSETS</b>				
Cash and Cash Equivalent	\$ 191,113			\$ 191,113
Due from U. S. Treasury	2,961			2,961
Equipment		850,172		850,172
Amounts to be Provided for Retirement of Long Term Debt			120,473	120,473
<b>TOTAL ASSETS</b>	<b>\$ 194,074</b>		<b>\$ 850,172</b>	<b>\$ 1,164,719</b>
	=====		=====	=====
<b>LIABILITIES</b>				
Liabilities				
Payroll Taxes	\$ 552			\$ 552
Long Term Debt			120,473	120,473
<b>TOTAL LIABILTIES</b>	<b>\$ 552</b>		<b>\$ 120,473</b>	<b>\$ 121,025</b>
	-----		-----	-----
<b>FUND BALANCES</b>				
Investment in Fixed Asset	\$	\$ 850,172	\$ -	\$ 850,172
Fund Balance	193,522			193,522
	-----	-----	-----	-----
	<b>\$ 193,522</b>	<b>\$ 850,172</b>	<b>\$ 0</b>	<b>\$ 1,043,694</b>
<b>TOTAL LIABILTIES AND FUND BALANCE</b>	<b>\$ 194,074</b>		<b>\$ 850,172</b>	<b>\$ 1,164,719</b>
	=====		=====	=====

The accompanying notes are an integral part of this statement.

AVONDALE VOLUNTEER FIRE CO., INC.  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES	
Jefferson Parish - Contract	\$ 414,000
Jefferson Parish - Truck Subsidy	34,340
State Insurance Rebate	10,275
Interest	655
Miscellaneous	4,353
	-----
Total Revenues	463,623
	-----
EXPENDITURES	
Employee Cost	344,873
Vehicular Cost	15,466
Building Cost	19,514
Firefighting Cost	5,834
Administrative cost	22,390
Debt Service	28,582
Capital Expenditures:	
Building	0
Furniture & Fixtures	4,219
Firefighting Equipment	0
	-----
Total Expenditures	440,878
	-----
Excess Revenues over Expenditures	22,745
Other Financing Sources	0
	-----
EXCESS REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	22,745
FUND BALANCE, BEGINNING OF YEAR	170,777
	-----
FUND BALANCE, END OF YEAR	\$ 193,522
	=====

The accompanying notes are an integral part of this statement.

AVONDALE VOLUNTEER FIRE CO., INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2003

NOTE 1. Summary of Significant Accounting Policies  
-----

A. Statement of Presentation

The accounting and reporting policies of the Avondale Volunteer Fire Co., Inc. conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the guides set forth in the Louisiana Municipal Audit and Accounting Guide and as prescribed by Statement 1, Governmental Accounting and Financial Reporting Principles, published by the National Council on Governmental Accounting.

The Avondale Volunteer Fire Co., Inc. was organized as a non-profit corporation to provide fire protection to a prescribed sector of the 7th Fire District, Parish of Jefferson.

B. Basis of Accounting

Governmental Funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

C. Budgets and Budgetary Accounting

The Avondale Volunteer Fire Co., Inc. did prepare a informal budget for the year ending December 31, 2003 for internal use. A formal budget is not required by law therefore it is not presented in this report.

NOTE 2. Sources of Revenue  
-----

Avondale Volunteer Fire Co., Inc. is one of five contractual fire companies of the 7th Fire District, Parish of Jefferson. The 7th Fire District of the Parish of Jefferson levies a ad valorem tax on assessed property of the district. The sum of this collection is equally divided between the five contractual volunteer fire companies of the district on a monthly pro-rata basis. The 2003 monthly allocation to each fire company was \$ 34,500. In 2003 a service charge of \$2.00 was also levied on each household and business. This was collected by the Parish and allocated with the ad valorem tax.

In the past the Parish of Jefferson also paid a direct subsidy on a monthly and quarterly basis based on the number of stations. This was discontinued in the year 2002.

AVONDALE VOLUNTEER FIRE CO., INC.  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2003

NOTE 3. General Long-Term Debt  
 -----

\$ 120,473 - Kansas State Bank of Manhattan, Manhattan, Kansas.  
 Ten yearly payments of \$ 34,291 at 5.7 %. Three payments  
 remaining. This was for the purchase of a ladder fire truck  
 for \$ 362,000.

The Jefferson Parish 7th Fire District will subsidize these  
 note payments with a \$ 15,000 payment from a 2 mill ad  
 valorem tax collected by the Parish and remitted to the  
 fire company yearly.

NOTE 4. Changes in General Fixed Assets  
 -----

General Fixed Assets purchased are recorded as expenditures in the  
 general fund at the time of purchase. Such assets are capitalized at  
 cost in the general fixed assets group of account. Depreciation has  
 not been provided on general fixed assets. A summary of changes in  
 fixed assets follows:

	Balance 1/1/03	Additions	Deletions	Balance 12/31/03
Buildings and Improvements	\$ 62,330			\$ 62,330
Equipment	783,623	4,219		787,842
	\$ 845,953	4,219		\$ 850,172

NOTE 5. Employees  
 -----

Avondale Volunteer Fire Co., Inc. has 12 employees designated as  
 chauffers. The Salaries range from \$16,000 to \$29,000.

Justin A. McCarthy  
Certified Public Accountant  
129 Yvonne Drive  
Avondale, Louisiana 70094

Ph. 504 436 1874

REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS  
BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Board of Directors of the  
Avondale Volunteer Fire Company, Inc.

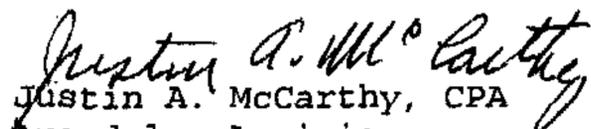
I have audited the general purpose financial statements of Avondale Volunteer Fire Company, Inc. as of and for the year ending December 31, 2003 and have issued my report thereon dated January 25, 2004.

I conducted my audit in accordance with generally accepted auditing standards, and Governmental 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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, and contracts applicable to the Fire Company is the responsibility of the Fire Company's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Fire Company's compliance with certain provisions of laws, regulations, and contracts. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the Fire Company complied in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the Fire Company had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Directors, management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

  
Justin A. McCarthy, CPA  
Avondale, Louisiana  
January 25, 2004

Justin A. McCarthy  
Certified Public Accountant  
129 Yvonne Drive  
Avondale, Louisiana 70094

Ph. 504 436 1874

REPORT ON THE INTERNAL CONTROL STRUCTURE RELATED MATTERS  
NOTED IN A FINANCIAL AUDIT CONDUCTED IN  
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

To the Board of Directors of the  
Avondale Volunteer Fire Company, Inc.

I have audited the general purpose financial statements of Avondale Volunteer Fire Company, Inc. as of and for the year ending December 31, 2003 and have issued my report thereon dated January 25, 2004.

I conducted my audit in accordance with generally accepted auditing standards, and Governmental 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 general purpose financial statements are free of material misstatement.

In planning and performing my audit of the general purpose financial statements of the Fire Company for the year ending December 31, 2003 I considered its internal control structure in order to determine my procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the Fire Company is responsible for the establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

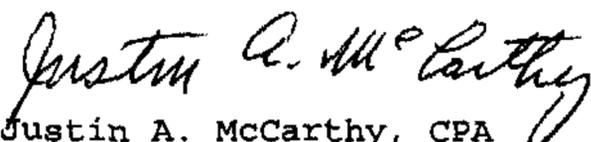
For the purposes of this report, we have classified the significant internal control structure policies and procedures in the following categories: cash receipts and cash disbursements.

For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed the control risk.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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 structure and its operation that I consider to be material weaknesses as defined above. My comments and recommendations about other financial matters which might come to my attention during the audit will be presented on a separate report to management.

This report is intended for the information of the Board of Directors, management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

  
Justin A. McCarthy, CPA  
Avondale, Louisiana  
January 25, 2004.