

**VILLAGE OF SIKES, LOUISIANA**

**Annual Financial Statements**

**JUNE 30, 2009**

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 2/2/10



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The Honorable Kenneth R. Womack, Mayor  
& Members of the Board  
Sikes, Louisiana

We have compiled the accompanying financial statements of the governmental activities, the business type activities, and each major fund of the Village of Sikes as of and for the year ended June 30, 2009 in accordance with standards established 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 the Village of Sikes. 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.

The Village has elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's financial condition. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*John R. Vercher PC*

Jena, Louisiana

October 21, 2009

**VILLAGE OF SIKES**  
**Statement of Net Assets**  
**June 30, 2009**

	PRIMARY GOVERNMENT		TOTAL
	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	
<b>ASSETS</b>			
Cash & Cash Equivalents	\$ 15,582	\$ 4,891	\$ 20,473
Investments	-0-	9,407	9,407
Receivables (Net of Allowances for Uncollectable)	-0-	3,073	3,073
Restricted Cash	-0-	16,148	16,148
Capital Assets (Net of Accumulated Depreciation)	428,141	652,625	1,080,766
<b>TOTAL ASSETS</b>	<u>443,723</u>	<u>686,144</u>	<u>1,129,867</u>
<b>LIABILITIES</b>			
Accounts, Salaries, & Other Payables	244	928	1,172
Customer Deposits	-0-	3,345	3,345
Bonds Payable	-0-	30,000	30,000
<b>TOTAL LIABILITIES</b>	<u>244</u>	<u>34,273</u>	<u>34,517</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	428,141	622,025	1,050,166
Restricted	-0-	9,803	9,803
Unrestricted	15,338	20,043	35,381
<b>TOTAL NET ASSETS</b>	<u>\$ 443,479</u>	<u>\$ 651,871</u>	<u>\$ 1,095,350</u>

See attached compilation report.



**VILLAGE OF SIKES**  
**Balance Sheet**  
**June 30, 2009**

<b>ASSETS</b>	
Cash	\$ 15,582
Taxes Receivable	-0-
<b>TOTAL ASSETS</b>	<u>15,582</u>
 <b>LIABILITIES &amp; FUND BALANCE</b>	
Accounts Payable	244
Fund Balance	15,338
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<u>\$ 15,582</u>

See attached compilation report.

**VILLAGE OF SIKES**  
**Reconciliation of the Balance Sheet – Governmental Funds**  
**to the Statement of Net Assets**  
**Year Ended June 30, 2009**

Total fund balance – governmental funds	\$	15,338
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the balance sheet – governmental funds.		428,141
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		-0-
Total net assets of governmental activities	\$	<u>443,479</u>

See attached compilation report.

**VILLAGE OF SIKES**  
**Statement of Revenues, Expenditures, & Changes in Fund Balance**  
**For the Year Ended June 30, 2009**

<b>REVENUES</b>	
Fees & Charges	\$ 10,384
Taxes	1,027
Grant	-0-
<b>TOTAL REVENUES</b>	<u>11,411</u>
<b>EXPENDITURES</b>	
Personnel Expense	3,709
Other Administrative	4,115
Utilities	2,817
Repairs & Maintenance	42
<b>TOTAL EXPENDITURES</b>	<u>10,683</u>
<b>NET CHANGE IN FUND BALANCE</b>	728
<b>FUND BALANCES—BEGINNING</b>	<u>14,610</u>
<b>FUND BALANCES—ENDING</b>	<u>\$ 15,338</u>

See attached compilation report.

**VILLAGE OF SIKES**  
**Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances**  
**of Government Funds to the Statement of Activities**  
**Year Ended June 30, 2009**

Net change in fund balance – total governmental funds	\$	728
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Amounts reported for governmental activities in the statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount which capital outlays exceeded depreciation in the current period.

Capital Outlays	-0-	
Depreciation	<u>(17,555)</u>	(17,555)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The detail of these differences in the treatment of long-term debt and related items is as follows:

Principal Payments		<u>-0-</u>
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Change in net assets of governmental activities	\$	<u>(16,827)</u>
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See attached compilation report.

**Village of Sikes, Louisiana**  
**Statement of Net Assets, Proprietary Funds**  
**June 30, 2009**

		<b>BUSINESS TYPE ACTIVITIES ENTERPRISE FUND WATER &amp; SEWER FUND</b>
<b>CURRENT ASSETS</b>		
Cash & Cash Equivalents	\$	4,891
Investments		9,407
Receivables (Net of Allowances for Uncollectible)		3,073
<b>TOTAL CURRENT ASSETS</b>		<b>17,371</b>
<b>NON-CURRENT ASSETS</b>		
Restricted Cash		16,148
Capital Assets (Net of Accumulated Depreciation)		652,625
<b>TOTAL NON-CURRENT ASSETS</b>		<b>668,773</b>
<b>TOTAL ASSETS</b>		<b>686,144</b>
<b>CURRENT LIABILITIES</b>		
Accounts, Salaries, & Other Payables		928
Current Bond Payable		3,000
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,928</b>
<b>NON-CURRENT LIABILITIES</b>		
Customer Deposits		3,345
Bond Payable		27,000
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>30,345</b>
<b>TOTAL LIABILITIES</b>		<b>34,273</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt		622,025
Restricted		9,803
Unrestricted		20,043
<b>TOTAL NET ASSETS</b>	\$	<b>651,871</b>

See attached compilation report.

**Village of Sikes, Louisiana**  
**Statement of Revenues, Expenses and Changes in Net Assets**  
**Proprietary Funds**  
**June 30, 2009**

	<b>BUSINESS TYPE ACTIVITIES ENTERPRISE FUND WATER &amp; SEWER FUND</b>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 26,493
<b>TOTAL OPERATING REVENUES</b>	<b>26,493</b>
<b>OPERATING EXPENSES</b>	
Administrative Expense	6,092
Maintenance & Repair	3,853
Other Operating	13,565
Utilities	7,706
Depreciation	16,941
<b>TOTAL OPERATING EXPENSES</b>	<b>48,157</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(21,664)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Capital Grants	37,155
Interest Expense	(1,233)
Interest Income	457
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>36,379</b>
<b>CHANGE IN NET ASSETS</b>	<b>14,715</b>
<b>TOTAL NET ASSETS – BEGINNING</b>	<b>637,156</b>
<b>TOTAL NET ASSETS – ENDING</b>	<b>\$ 651,871</b>

See attached compilation report.

**Village of Sikes, Louisiana**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**June 30, 2009**

	<b>BUSINESS TYPE ACTIVITIES ENTERPRISE FUND WATER &amp; SEWER FUND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers & Users	\$ 27,446
Payments to Suppliers	(34,032)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(6,586)</b>
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	
Capital Grant	37,155
Purchase of Capital Assets	(112,092)
Interest Paid on Capital Debt	(1,233)
<b>NET CASH PROVIDED (USED) BY CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	<b>(76,170)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Change in Restricted Assets	2,345
Interest Income	457
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>2,802</b>
<b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(79,954)</b>
<b>CASH &amp; CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>84,805</b>
<b>CASH &amp; CASH EQUIVALENTS, END OF YEAR</b>	<b>4,891</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Operating Income (Loss)	(21,664)
Depreciation Expense	16,941
(Increase) Decrease in Accounts Receivable	953
Increase (Decrease) in Accounts Payable	(366)
Increase (Decrease) in Customer Deposits	550
Increase (Decrease) in Bonds Payable	(3,000)
<b>TOTAL ADJUSTMENTS</b>	<b>15,078</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (6,586)</b>

See attached compilation report.

**VILLAGE OF SIKES**

**MANAGEMENT LETTER COMMENTS**

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During the course of our compilation, we observed conditions and circumstances that may be improved. Below are situations that may be improved (if any) and recommendations for improvements.

**CURRENT YEAR MANAGEMENT LETTER COMMENTS**

There are no current year management letter comments.