

BAYOU CARE HOUSING, INC.

Financial Statements
For the Years Ended December 31, 2011 and 2010



BAYOU CARE HOUSING, INC.
FINANCIAL REPORT
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

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CAMERON, HINES & HARTT

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INDEPENDENT AUDITORS' REPORT

Board of Directors of
Bayou Care Housing, Inc.

We have audited the accompanying statements of financial position of Bayou Care Housing, Inc., as of December 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Bayou Care Housing's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bayou Care Housing, Inc., as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2012, on our consideration of Bayou Care Housing's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
June 8, 2012

BAYOU CARE HOUSING, INC.
STATEMENTS OF FINANCIAL POSITION

<u>ASSETS</u>	December 31,	
	2011	2010
Current Assets:		
Cash and Cash Equivalents	\$ 11,634	\$ 12,825
Grants Receivable	8,668	7,764
Total Current Assets	\$ 20,302	\$ 20,589
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accrued Expenses	\$ -	\$ -
Net Assets		
Unrestricted	20,302	20,589
<u>TOTAL LIABILITIES AND NET ASSETS</u>	\$ 20,302	\$ 20,589

The accompanying notes are an integral part of these financial statements.

BAYOU CARE HOUSING, INC.
STATEMENTS OF ACTIVITIES

	For the Years Ended	
	December 31,	
	<u>2011</u>	<u>2010</u>
<u>Support and Revenue:</u>		
Federal Grant Funding	\$ 106,685	\$ 106,785
<u>Expenses:</u>		
Salaries	45,990	44,084
Retirement	970	1,013
Insurance	674	674
Payroll Taxes	3,680	3,525
Direct Assistance		
Housing	25,468	30,497
Utilities	7,870	6,103
Food	283	63
Insurance	2,327	3,364
Furnishings	1,390	795
Travel	1,798	1,367
Other	637	294
Telephone	542	546
Rent	4,200	4,200
Professional Fees	4,750	4,750
Supplies	-	-
Office	6,393	5,510
Total Expenses	<u>106,972</u>	<u>106,785</u>
<u>Changes in Net Assets</u>	(287)	-
<u>Net Assets - Unrestricted at Beginning of Year</u>	<u>20,589</u>	<u>20,589</u>
<u>NET ASSETS - UNRESTRICTED AT END OF YEAR</u>	<u>\$ 20,302</u>	<u>\$ 20,589</u>

The accompanying notes are an integral part of these financial statements.

BAYOU CARE HOUSING, INC.
STATEMENTS OF CASH FLOWS

	For the Years Ended	
	December 31,	
	<u>2011</u>	<u>2010</u>
Cash Flows from Operating Activities:		
Changes in Net Assets	\$ (287)	\$ -
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:		
(Increase) Decrease in:		
Grants Receivable	(904)	1,030
Increase (Decrease) in:		
Accrued Expenses	-	(738)
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>(1,191)</u>	<u>292</u>
<u>Cash and Cash Equivalents, Beginning of Year</u>	<u>12,825</u>	<u>12,533</u>
<u>CASH AND CASH EQUIVALENTS, END OF YEAR</u>	<u>\$ 11,634</u>	<u>\$ 12,825</u>

The accompanying notes are an integral part of these financial statements.

BAYOU CARE HOUSING, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

Bayou Care Housing, Inc. was incorporated to provide housing opportunities for persons with AIDS.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Accounting

The financial statements of Bayou Care Housing have been prepared on the accrual basis and, accordingly, reflect all significant receivables and payables.

Basis of Presentation

FASB Accounting Standards Codification (ASC) Section 958-205 *Not-for-Profit Entities, Presentation of Financial Statements* establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions. ASC section 958-605 *Not-for-Profit Entities, Revenue Recognition* requires that unconditional promises to give (pledges) be recorded as receivables and revenues and requires the organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of Bayou Care Housing and/or passage of time. As of December 31, 2011, there were no temporarily restricted net assets.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by Bayou Care Housing. Generally, the donors of these assets permit Bayou Care Housing to use all of, or part of, the income earned on the related investments for general or specific purposes. As of December 31, 2011, there were no permanently restricted net assets.

BAYOU CARE HOUSING, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Note 1 - Nature of Activities and Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

Bayou Care Housing considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Grants Receivable

Grants receivable represent amounts that have been expensed for grant purposes and are to be reimbursed in full by the grantor and have been promised over the next twelve months.

Economic Dependency

Bayou Care Housing receives all of its support through federal government grant funding. The continued yearly renewal of these grants is vital to the continuation of the facility. During 2011, Bayou Care Housing received and expended \$106,685 that was provided by the Department of Community Planning and Administration through the Office of Public Health - Housing Opportunities for Persons with AIDS.

Note 2 - Cash and Cash Equivalents

Bayou Care Housing maintains its cash balances in one local financial institution. The bank statement balance is \$4,487 as of December 31, 2011. Accounts at the financial institution are insured by the Federal Deposit Insurance Corporation up to \$250,000 for interest bearing accounts and unlimited for non-interest bearing accounts.

Note 3 - Income Taxes

Bayou Care Housing is a nonprofit corporation exempted from federal income taxes under Sec. 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made; however, should Bayou Care engage in activities unrelated to its exempt purpose, taxable income could result. Bayou Care had no material unrelated business income for the year ended December 31, 2011. The earliest income tax year that is subject to examination is 2008.

Note 4 - Housing Expense

Bayou Care Housing is obligated under nine lease agreements for apartment rentals at December 31, 2011. Each lease agreement is a month to month agreement cancellable at any time. Housing expense for the year ended December 31, 2011 was a net of \$25,468, after client reimbursements of \$10,694.

BAYOU CARE HOUSING, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Note 5 - Related Party Transactions

Bayou Care shares a building and staff with the Greater Ouachita Coalition Providing Aids Resources and Education (GoCare). Bayou Care paid \$4,200 for its share of rent in 2011 and 2010. Also, Bayou Care paid GoCare administration fees in the amount of \$5,324 and \$5,047 for the years ending December 31, 2011 and 2010, respectively.

Note 6 - Subsequent Events

Subsequent events have been evaluated through June 8, 2012, which is the day the financial statements were available to be issued, and it has been determined that no significant events have occurred for disclosure.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors of
Bayou Care Housing, Inc.

We have audited the financial statements of Bayou Care Housing, Inc. as of and for the years ended December 31, 2011 and 2010, and have issued our report thereon dated June 8, 2012. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Bayou Care Housing, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audits, we considered Bayou Care Housing's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bayou Care Housing's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Bayou Care Housing's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the organization's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Board of Directors of
Bayou Care Housing, Inc.
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bayou Care Housing's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management of Bayou Care Housing, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cameron, Hines & Hartl (CAPAC)

West Monroe, Louisiana
June 8, 2012

BAYOU CARE HOUSING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

To the Board of Directors
Bayou Care Housing, Inc.

We have audited the financial statements of Bayou Care Housing, Inc. as of and for the year ended December 31, 2011, and have issued our report thereon dated June 8, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2011, resulted in an unqualified opinion.

SECTION I – Summary of Auditors’ Results

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness yes no

Significant Deficiencies not considered to be
Material Weaknesses yes no

Compliance

Compliance Material to Financial Statements yes no

B. Federal Awards

Material Weakness Identified yes no

Significant Deficiencies not considered to be
Material Weaknesses yes no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified Qualified

Disclaimer Adverse

Are their findings required to be reported in accordance with Circular A-133,
Section .510 (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster)
CFDA Number(s)

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a “low-risk” auditee, as defined by OMB Circular A-133? N/A

SECTION II – Financial Statement Findings

No matters were reported.

SECTION III – Federal Award Findings and Questioned Costs

No matters were reported.

BAYOU CARE HOUSING, INC.
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

There were no prior year findings.