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**WEST CARROLL ASSOCIATION  
FOR RETARDED CITIZENS, INC.**  
**Oak Grove, Louisiana**

*General Purpose Financial Statements  
And Independent Auditor's Report  
June 30, 1987  
With Supplemental Information Schedules*

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 7-28-87

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**WEST CARROLL ASSOCIATION  
FOR RETARDED CITIZENS, INC.**  
Oak Grove, Louisiana

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**June 30, 2013**

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## DARLA S. TURNER, CPA

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### INDEPENDENT AUDITOR'S REPORT

Board of Directors  
West Carroll Association for Retarded Citizens, Inc.  
Oak Grove, Louisiana

I have audited the accompanying statements of financial position of West Carroll Association for Retarded Citizens, Inc., (a nonprofit organization) as of June 30, 2003, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of West Carroll Association for Retarded Citizens, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. These 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 accounts 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 financial statements referred to above present fairly, in all material aspects, the financial position of West Carroll Association for Retarded Citizens, Inc., as of June 30, 2003, and the changes in its net assets and its cash flows for the year then-ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated December 16, 2003, on my consideration of West Carroll Association For Retarded Citizens, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. This 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 my audit.



DARLA S. TURNER  
CERTIFIED PUBLIC ACCOUNTANT

December 16, 2003

WEST CARROLL ASSOCIATION  
FOR RETARDED CITIZENS, INC.  
Oak Grove, Louisiana

Exhibit A

STATEMENT OF FINANCIAL POSITION  
June 30, 2003

ASSETS

Current Assets

Cash and cash equivalents	\$	280,490
Accounts receivable		4,778
Accrued interest		322
		<u>285,590</u>
Total Current Assets		<u>285,590</u>

Fixed Assets

Land		28,261
Building		34,911
Vehicles		62,846
Furniture and equipment		28,509
		<u>154,527</u>
Less: accumulated depreciation		(107,286)
Total Fixed Assets		<u>47,241</u>

TOTAL ASSETS 332,831

Unrestricted net assets

332,831

TOTAL NET ASSETS \$ 332,831

WEST CARROLL ASSOCIATION  
FOR RETARDED CITIZENS, INC.  
OAK GROVE, LOUISIANA

Exhibit B

STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2003

SUPPORT AND REVENUE

Support

Grants and contracts	\$	166,798
Contributions		3,883
Other proceeds		<u>22,676</u>
Total support		<u>193,357</u>

Revenue

Interest		9,543
Program receipts		81,928
Miscellaneous		<u>3,588</u>
Total revenue		<u>95,059</u>

TOTAL SUPPORT AND REVENUE 288,416

EXPENSES

Program services		185,957
Support services		
General and administrative		<u>18,149</u>

TOTAL EXPENSES 204,106

CHANGE IN NET ASSETS 3,068

NET ASSETS, BEGINNING OF YEAR 249,152

NET ASSETS, END OF YEAR \$ 252,220

WEST CARROLL ASSOCIATION  
FOR RETARDED CITIZENS, INC.  
OAK GROVE, LOUISIANA

Exhibit C

STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2003

<b>Cash Flows From Operating Activities</b>	
Change in net assets	\$ 3,668
Adjustments to reconcile change in net assets to net cash used for operating purposes:	
Depreciation	11,397
Decrease in receivables	4,815
Decrease in other assets	2,068
Decrease in accounts payable	-
Non-cash donations	-
	<u>18,888</u>
Net cash provided by operating activities	<u>22,556</u>
<b>Cash Flows From Investing Activities</b>	
Acquisition of equipment and improvements	<u>(826)</u>
Net cash used by investing activities	<u>(826)</u>
<b>Cash Flows From Financing Activities</b>	
	<u>-</u>
Net cash provided by financing activities	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>21,730</b>
<b>CASH AND CASH EQUIVALENTS - JULY 1, 2002</b>	<b><u>179,871</u></b>
<b>CASH AND CASH EQUIVALENTS - JUNE 30, 2003</b>	<b>\$ <u>201,601</u></b>

WEST CARROLL ASSOCIATION  
FOR RETARDED CITIZENS, INC.  
Oak Grove, Louisiana

Exhibit B

STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended June 30, 2003

	Program Services	General and Administrative	Total Expenses
<b>Salaries and Related Benefits</b>			
Salaries	\$ 129,908	\$ -	\$ 129,908
Related benefits	14,029	-	14,029
Worker's compensation	-	-	-
<b>Total Salaries and Related Benefits</b>	<b>144,937</b>	<b>-</b>	<b>144,937</b>
<b>Other Expenses</b>			
Accounting	-	800	800
Inspections	-	-	-
Insurance	21,577	-	21,577
Auditorial	8,939	-	8,939
Legal and accounting	-	4,025	4,025
Miscellaneous	-	811	811
Office and postage	840	-	840
Supplies	4,855	-	4,855
Repairs and maintenance	3,968	-	3,968
Telephone	312	-	312
Training	-	812	812
Transportation	9,576	-	9,576
Utilities	3,884	-	3,884
<b>Total expenses before depreciation</b>	<b>198,917</b>	<b>8,248</b>	<b>207,165</b>
<b>Depreciation</b>	<b>-</b>	<b>11,897</b>	<b>11,897</b>
<b>TOTAL EXPENSES</b>	<b>\$ 198,917</b>	<b>\$ 19,145</b>	<b>\$ 218,062</b>

## EXHIBIT E

### WEST CARROLL ASSOCIATION FOR RETARDED CITIZENS, INC.

Oak Grove, Louisiana

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2003

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

##### Nature of Activities:

West Carroll Association for Retarded Citizens, Inc. (the "Association") is a nonprofit organization which was chartered on January 23, 1958, to promote the general welfare of mentally retarded persons.

The Association is governed by eight non-compensated directors who serve two-year terms on a rotating basis.

##### Basis of Presentation:

The financial statements of the Association have been prepared in conformity with generally accepted accounting principles (GAAP).

##### Basis of Accounting:

The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

##### Cash and Cash Equivalents:

Cash is reported at net book value -- for June 30, 2003, bank balances plus deposits in transit and less checks that have not cleared the bank as of that date. Investments consist of certificates of deposit which are stated at cost plus interest earned and received to date, which approximates market. If the original maturities of time deposits exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

##### Income Taxes:

The Association is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3). In addition, the Association has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 170(e) of the 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 certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.



## EXHIBIT E

### WEST CARROLL ASSOCIATION FOR RETARDED CITIZENS, INC. Oak Grove, Louisiana

#### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended June 30, 2003

##### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

###### Uncollectible Allowance:

The statements contain no provision for uncollectible accounts. Management is of the opinion that such allowance would be immaterial in relation to the financial statements taken as a whole.

###### Property and Equipment:

Property and equipment purchased or constructed are stated at historical cost. Donated property and equipment are stated at fair value at the date of donation. The Association has elected not to apply a time restriction on donated property and equipment.

Depreciation expense is provided on buildings and equipment on the straight-line method over the following estimated useful lives:

Building and improvements	18 - 33 years
Equipment	5 - 15 years
Vehicles	5 years

Maintenance and repairs of property and equipment are charged to operations while major improvements are capitalized. Upon retirement, sale, or other disposition of property and equipment, the cost and accumulated depreciation are removed from the accounts and gain or loss is included in operations.

###### Support and Revenue:

Revenues received under programs funded by the State of Louisiana are recorded as revenue when the Association has incurred expenditures in compliance with the specific restrictions. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

###### Functional Allocation of Expenses:

The costs of providing the various programs and other activities have been categorized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

###### Contributed Services:

The Association receives a substantial amount of services donated by its members in carrying out the Association's operations. No amounts have been reflected in the financial statements for these services as they do not meet the criteria for recognition under SFAS 136, Accounting for Contributions Received and Contributions Made.

**EXHIBIT E**

**WEST CARROLL ASSOCIATION FOR RETARDED  
CITIZENS, INC.  
Oak Grove, Louisiana**

**NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended June 30, 2003**

**NOTE 3. PROPERTY AND EQUIPMENT**

A summary of the categories and applicable depreciation at June 30, 2003, is as follows:

Category	Cost	Current Depreciation	Accumulated Depreciation
Land	\$ 26,161	\$ -	\$ -
Buildings and improvements	34,911	1,283	27,663
Equipment	88,158	38,654	38,113
<b>Total</b>	<b>\$ 149,230</b>	<b>\$ 40,937</b>	<b>\$ 65,776</b>

**NOTE 3. CONCENTRATION OF CREDIT RISK**

The Association maintains checking accounts and certificates of deposits at two local financial institutions. Interest bearing and non-interest bearing accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000 each. The balance of funds held at one of the local financial institutions exceeded federally insured limits by \$11,433, as of June 30, 2003, while funds at the other local financial institution were adequately insured by the FDIC. As of the date of this report, the excess funds had been transferred and were adequately insured by the FDIC.

**NOTE 4. ECONOMIC DEPENDENCY**

Substantially all of the Association's revenues are derived from the State of Louisiana, under its vocational/rehabilitative services and Title XIX programs. Funding for the service program is provided on a year-to-year basis, with an requirement that the program be renewed, in all, or if renewed, that funding levels be maintained or increased.

The Association's contract for the service program with the state contains a number of terms regarding service provision, insurance requirements, etc. Management is of the opinion that the Association is in substantial compliance with these terms. Case managers monitor the Association's records periodically.

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Certified Public Accountants  
Society of Louisiana  
Certified Public Accountants

Schedule I

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS**

### Board of Directors

West Carroll Association for Retarded Citizens, Inc.  
Oak Grove, Louisiana

I have audited the financial statements of West Carroll Association for Retarded Citizens, Inc., a nonprofit organization, as of and for the year ended June 30, 2003, and have issued my report thereon dated December 16, 2003. I conducted my 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.

### Compliance

As part of obtaining reasonable assurance about whether West Carroll Association for Retarded Citizens, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and questioned costs.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered West Carroll Association for Retarded Citizens, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect West Carroll Association for Retarded Citizens, Inc.'s ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements to 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. My consideration of the

Internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, I consider item 1 to be a material weakness.

This report is intended solely for the information and use of management of West Carroll Association for Handicapped Children, Inc., funding agencies, and others within the organization and is not intended to be used should not be used by anyone other than these specified parties.



DARLA S. TURNER  
CERTIFIED PUBLIC ACCOUNTANT

December 8, 2001

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2003**

**SUMMARY OF AUDITOR'S RESULTS**

1. My auditor's report expresses an unqualified opinion on the general purpose financial statements of the West Carroll Association For Retarded Citizens, Inc.
2. One instance of noncompliance material to the financial statements of the West Carroll Association For Retarded Citizens, Inc. is reported in the Independent Auditor's Report on Compliance and On Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards.
3. There were no major federal awards.

**FINDINGS - FINANCIAL STATEMENT AUDIT**

**Criteria:**

La. Rev. Stat. 29:1223. *Security for deposits; amount of security.* The amount of the security shall at all times be equal to one hundred percent of the amount of collected funds or deposits in the credit of each depositing authority except that portion of the deposits insured by any governmental agency insuring bank deposits which is organized under the laws of the United States.

La. Rev. Stat. 29:1224. *Additional security; failure to provide.* If the security required under the provisions of R.S. 29:1224, R. S. 29:1224, R.S. 29:1224, or R.S. 29:1225 is not furnished by a fiscal agency or depository bank, the depositing authority may require such additional or other security as shall bring the total to the required amount. If any bank fails to comply, within five business days from receipt of demand for such additional security, a meeting of the depositing authority may forthwith convene and declare the contract canceled. If canceled the depositing authority shall immediately proceed in the same manner as in the case of original letting, and select the deposits of the bank for the unexpired term of the agency, under the terms and upon the conditions provided in this Chapter.

**Statement of Condition:**

The Association maintains checking accounts and certificates of deposit at two local financial institutions. Interest bearing and non-interest bearing accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$100,000 each. The balance of funds held at one of the local financial institutions exceeded federally insured limits and pledged assets by \$12,473, as of June 30, 2003, while funds at the other local financial institution were adequately insured by the FDIC.

**Recommendation:**

I recommend that the Association either require the financial institution to adequately safeguard the collected funds or deposit to the credit of the Association by pledging additional securities for deposits not covered by the FDIC and that management of the Association monitor regularly the adequacy of the security pledged on its deposits.

**Response:**

Management has advised that it will take steps to follow my recommendations and take steps to remedy this finding.

**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**

For the Year Ended June 30, 2013

**SECTION A. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FINANCIAL STATEMENTS**

1. 2003-03 Inadequate Segregation of Duties

Adequate segregation of duties is essential to proper control

Resolved - 2003-03

2. La. Rev. Stat. 39:1215 Security for deposits; amount of security

The amount of security shall at all times be equal to one hundred percent of the amount of collected funds on deposit to the credit of each depositing authority except that portion of the deposits insured by any governmental agency insuring bank deposits which is organized under the laws of the United States.

Unresolved - 2000-00

**SECTION B - MANAGEMENT LETTER**

None issued.