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SOUTHWESTERN LOUISIANA
HOMELESS COALITION, INC.

FINANCIAL STATEMENTS AND
ACCOUNTANTS' COMPILATION REPORT

December 31, 2006 and 2005

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 11/7/07

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HILLIARD
& HILLIARD
A Corporation of Certified Public Accountants

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ACCOUNTANTS' REPORT

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Board of Directors
Southwestern Louisiana Homeless Coalition, Inc.
Lake Charles, Louisiana

We have compiled the accompanying statements of financial position of Southwestern Louisiana Homeless Coalition, Inc. (a non profit corporation) as of December 31, 2006 and 2005, the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, in accordance with the *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Southwestern Louisiana Homeless Coalition, Inc.

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, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the Organization's financial position, activities, and changes in net assets and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Southwestern Louisiana Homeless Coalition, Inc.

Hilliard & Hilliard, ACCPA
October 31, 2007

SOUTHWESTERN LOUISIANA HOMELESS COALITION, INC.

STATEMENTS OF FINANCIAL POSITION
December 31, 2006 and 2005

See Accountants' Compilation Report

	2006	2005
ASSETS		
CURRENT ASSETS		
Cash	\$ 41,475	\$ 132,765
Inventory	148,347	86,700
	189,822	219,465
PROPERTY AND EQUIPMENT		
Land	8,000	15,000
Buildings	240,000	240,000
Furniture and fixtures	3,947	3,947
Machinery and equipment	17,518	16,039
Automobiles & trucks	16,950	16,950
Leasehold improvements	39,215	29,415
	325,629	321,351
Less: accumulated depreciation	(50,611)	(35,333)
	275,018	286,018
OTHER ASSETS		
Deposits	100	100
Total Assets	\$ 464,940	\$ 505,583
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Payroll taxes payable	\$ -	\$ 4,113
Line of credit		-
Note payable-Capitol One, current portion	12,500	12,500
Rent deposits		-
	12,500	16,613
LONG TERM LIABILITIES		
Note payable-Capitol One, less current portion	73,334	84,035
Total Liabilities	85,834	100,648
NET ASSETS		
Unrestricted and designated:		
Appropriated-property and equipment	275,018	286,018
Unappropriated	104,089	18,917
	379,106	304,935
Temporarily restricted	-	100,000
Total Net Assets	379,106	404,935
Total Liabilities and Net Assets	\$ 464,940	\$ 505,583

SOUTHWESTERN LOUISIANA HOMELESS COALITION, INC.

STATEMENTS OF ACTIVITIES
Years Ending December 31, 2006 and 2005

See Accountants' Compilation Report

	2006			2005		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
PUBLIC SUPPORT, REVENUES AND RECLASSIFICATIONS						
Rental income, net	\$ 179,054		\$ 179,054	\$ 190,838	\$ -	\$ 190,838
Real estate sales, net	57,878		57,878	(24,110)	-	(24,110)
Grants		991	991	4,371	210,000	214,371
Contributions	16,000	3,415	19,415	27,061	-	27,061
Other income	150		150	7,616		7,616
Interest income	266		266	262		262
Memberships	325		325	426		426
Net assets released from restriction						
Satisfaction of purpose restrictions	104,406	(104,406)	-	394,893	(394,893)	-
	<u>358,079</u>	<u>(100,000)</u>	<u>258,079</u>	<u>601,357</u>	<u>(184,893)</u>	<u>416,464</u>
EXPENSES						
PROGRAM SERVICES						
Rental expenses	39,504		39,504	59,094	-	59,094
Affordable Housing	7,378		7,378	20,177	-	20,177
Continuum of Care	8,231		8,231	24,491	-	24,491
Total Program Services	<u>55,113</u>	<u>-</u>	<u>55,113</u>	<u>103,762</u>	<u>-</u>	<u>103,762</u>
SUPPORT SERVICES						
Management and general	228,795		228,795	229,011	-	229,011
Fundraising	-		-	-	-	-
Total Support Services	<u>228,795</u>	<u>-</u>	<u>228,795</u>	<u>229,011</u>	<u>-</u>	<u>229,011</u>
Total Expenses	<u>283,908</u>	<u>-</u>	<u>283,908</u>	<u>332,773</u>	<u>-</u>	<u>332,773</u>
Change in net assets	74,171	(100,000)	(25,829)	268,584	(184,893)	83,691
Net Assets, beginning	304,935	100,000	404,935	36,351	284,893	321,244
Net Assets, ending	<u>\$ 379,106</u>	<u>\$ -</u>	<u>\$ 379,106</u>	<u>\$ 304,935</u>	<u>\$ 100,000</u>	<u>\$ 404,935</u>

SOUTHWESTERN LOUISIANA HOMELESS COALITION, INC.

STATEMENT OF FUNCTIONAL EXPENSES
Years Ending December 31, 2006 and 2005

See Accountants' Compilation Report

	2006						2005					
	Supporting Services		Program Services		Total	Supporting Services		Program Services		Total		
	Management and General	Fund Raising	Rental	Affordable Housing		CoC	Management and General	Fund Raising	Rental		Affordable Housing	CoC
Salaries	\$ 42,970	\$ -	\$ -	\$ -	\$ 42,970	\$ 40,924	\$ -	\$ -	\$ -	\$ 40,924		
Wages	30,862	-	-	-	30,862	48,584	-	-	-	48,584		
Employer benefits	11,347	-	-	-	11,347	8,054	-	-	-	8,054		
Payroll taxes	11,296	-	-	-	11,296	14,004	-	-	-	14,004		
Total Salaries and Related Expense	96,475	-	-	-	96,475	111,566	-	-	-	111,566		
Accounting fees	19,280	-	-	-	19,280	2,795	-	-	-	2,795		
Legal fees	635	-	-	-	635	575	-	-	-	575		
Supplies	11,958	-	-	-	11,958	23,561	-	2,181	9,300	35,042		
Telephone	6,899	-	-	3,258	10,157	5,826	-	-	2,661	8,487		
Postage	1,278	-	-	-	1,278	5,185	-	-	-	5,185		
Occupancy	34,482	-	6,284	2,078	44,817	29,621	-	2,782	10,662	53,602		
Equipment rental and maintenance	1,941	-	-	-	1,941	495	-	-	-	495		
Printing and publications	508	-	-	-	508	475	-	-	-	475		
Travel	9,007	-	-	-	9,007	9,716	-	-	-	9,716		
Conventions and meetings	2,264	-	-	-	2,264	4,209	-	-	-	4,209		
Interest	8,694	-	-	-	8,694	8,784	-	-	2,155	10,939		
Removations	-	-	33,191	-	33,191	-	-	56,283	-	56,283		
Labor	18,601	-	-	-	18,601	3,451	-	-	-	3,451		
Commissions and fees	-	-	-	-	-	-	-	-	93	93		
Advertising	987	-	-	-	987	358	-	-	-	358		
Automobile expense	3,998	-	-	-	3,998	5,231	-	-	-	5,231		
Office expense	871	-	-	-	871	8,577	-	-	-	8,577		
Licenses	-	-	-	-	-	93	-	-	-	93		
Dues and subscriptions	208	-	-	-	208	633	-	-	-	633		
Miscellaneous	3,759	-	-	-	3,759	1,729	-	-	-	1,729		
Total Expenses before Depreciation	221,845	-	39,475	2,078	268,629	222,881	-	59,065	14,998	319,535		
Depreciation	6,950	-	29	5,300	15,279	6,130	-	29	5,179	13,238		
Total Expenses	\$ 228,795	\$ -	\$ 39,504	\$ 7,378	\$ 283,908	\$ 229,011	\$ -	\$ 59,094	\$ 20,177	\$ 332,773		

SOUTHWESTERN LOUISIANA HOMELESS COALITION, INC.

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2006 and 2005

See Accountants' Compilation Report

	<u>2006</u>	<u>2005</u>
Cash flows from operating activities:		
Net income/(loss)	\$ (25,829)	\$ 83,691
Adjustments to reconcile net income/(loss) to net cash provided by (used in) operations:		
Depreciation and amortization expense	15,279	13,238
(Gain) Loss on asset disposition	(57,878)	24,110
Decrease/(increase) in inventory		5,000
Decrease/(increase) in other assets		-
Increase/(decrease) in other current liabilities	<u>(4,113)</u>	<u>(9,936)</u>
Net cash provided by (used in) operating activities	<u>(72,541)</u>	<u>116,103</u>
Cash flows from investing activities:		
Investment in fixed assets	(4,278)	(17,715)
Construction in progress	(120,119)	(158,287)
Proceeds from sale of real estate	<u>116,350</u>	<u>71,500</u>
Net cash provided by (used in) investing activities	<u>(8,047)</u>	<u>(104,502)</u>
Cash flows from financing activities:		
Repayments on long-term debt	<u>(10,702)</u>	<u>(1,976)</u>
Net cash provided by (used in) financing activities	<u>(10,702)</u>	<u>(1,976)</u>
Net Increase(Decrease) in Cash	(91,290)	9,625
Cash at Beginning of Period	<u>132,765</u>	<u>123,140</u>
Cash at End of Period	<u>\$ 41,475</u>	<u>\$ 132,765</u>

**SOUTHWESTERN LOUISIANA
HOMELESS COALITION, INC.**

**SCHEDULE OF CURRENT YEAR FINDINGS
For the Year Ended December 31, 2006**

#2006-1 Financial Report

Finding: Information needed to compile the financial statements as of and for the year ended December 31, 2006 was not available in order to allow the timely completion of the financial report; thus, the report was filed after the June 30, 2007 deadline.

Recommendation: Procedures need to be established to ensure that in the future, information necessary to complete the compilation will be available in time to meet the deadline.

**SOUTHWESTERN LOUISIANA
HOMELESS COALITION, INC.**

**MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2006**

#2006-1 Financial Report

Recommendation: Procedures need to be established to ensure that in the future, information necessary to complete the compilation will be available in time to meet the deadline.

Current Status: Procedures will be established to ensure the financial report is filed in accordance with the requirements of the State law.

Responsible party: Linda Banks, Executive Director

SOUTHWESTERN LOUISIANA
HOMELESS COALITION, INC.

STATUS OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2005

#2005-1 Financial Report

Finding: Information needed to compile the financial statements as of and for the year ended December 31, 2005 was not available in order to allow the timely completion of the financial report; thus, the report was filed after the June 30, 2006 deadline.

Current Status: Procedures will be established to ensure the financial report is filed in accordance with the requirements of the State law.

Responsible party: Linda Banks, Executive Director