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

Oak Grove, Louisiana

*Financial Statements
For the Year Ended
June 30, 2007*

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 3/19/08

DARLA S. TURNER, CPA
A Professional Accounting Corporation
2213 Liberty Street
Monroe, Louisiana 71201

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

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DARLA S. TURNER, CPA

A Professional Accounting Corporation
2213 Liberty Street, Monroe, La. 71201
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Member:

Society of Louisiana
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

I have audited the accompanying statement of financial position of West Carroll Association for Retarded Citizens, Inc. (a nonprofit organization) as of June 30, 2007, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of West Carroll Association for Retarded Citizens, Inc. as of June 30, 2007, 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 10, 2007, on my consideration of the 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, grant agreements and other matters. The purpose of that report is to describe the scope of my 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 my audit.

DARLA S. TURNER
CERTIFIED PUBLIC ACCOUNTANT
December 10, 2007

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

Oak Grove, Louisiana

**STATEMENT OF FINANCIAL POSITION
June 30, 2007**

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 40,153
Investments (Note 3)	120,166
Accounts receivable	38,770
Prepaid expenses	14,056
Total Current Assets	<u>213,145</u>
Fixed Assets	
Land	26,361
Building	41,139
Vehicles	63,791
Furniture and equipment	29,872
	<u>161,163</u>
Less: accumulated depreciation	<u>(117,127)</u>
Total Fixed Assets	<u>44,036</u>
	<u>257,181</u>
TOTAL ASSETS	
	\$ 257,181
LIABILITIES	
Current Liabilities	
Compensated absences	\$ 1,956
Total Current Liabilities	<u>1,956</u>
Net Assets	
Unrestricted:	
Operating	211,189
Property and equipment	44,036
	<u>255,225</u>
TOTAL NET ASSETS	
	<u>255,225</u>
TOTAL LIABILITIES AND NET ASSETS	
	\$ 257,181

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

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2007**

SUPPORT AND REVENUE

Support

Grants and contracts	\$	7,896
Contributions		975
Other providers		210,681
Contributed equipment, at fair value (Note 2)		<u>1,035</u>

Total support 220,587

Revenue

Interest		5,468
Program receipts		42,082
Miscellaneous		273

Total revenue 47,823

TOTAL SUPPORT AND REVENUE 268,410

EXPENSES

Program services		36,859
Support services		
General and administrative		<u>203,843</u>

TOTAL EXPENSES 240,702

CHANGE IN NET ASSETS 27,708

NET ASSETS, BEGINNING OF YEAR 227,517

NET ASSETS, END OF YEAR \$ 255,225

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

**STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2007**

Cash Flows From Operating Activities:		
Change in net assets		\$ 27,708
Adjustments to reconcile change in net assets to net cash used for operating purposes:		
Depreciation		5,236
(Increase) Decrease in receivables		(31,011)
(Increase) Decrease in other assets		(5,453)
(Increase) Decrease in prepaid expenses		625
Increase (Decrease) in accrued expenses		(124)
Donation of fixed assets (Note 2)		<u>(1,036)</u>
	Net cash provided by operating activities	(4,055)
Cash Flows From Investing Activities:		
		-
	Net cash used by investing activities	<u>-</u>
Cash Flows From Financing Activities:		
		-
	Net cash provided by financing activities	<u>-</u>
	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,055)
	CASH AND CASH EQUIVALENTS - JUNE 30, 2006	<u>44,208</u>
	CASH AND CASH EQUIVALENTS - JUNE 30, 2007	<u>\$ 40,153</u>

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

**STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2007**

	Program Services	General and Administrative	Total Expenses
Salaries and Related Benefits			
Salaries	\$ 107,099	\$ 48,488	\$ 155,587
Payroll taxes	8,644	3,884	12,528
Health insurance	2,597	1,167	3,764
Worker's compensation	2,938	1,320	4,258
Total Salaries and Related Benefits	121,278	54,859	176,137
Other Expenses			
Insurance	7,341	7,340	14,681
Janitorial	6,600	-	6,600
Legal and accounting	2,240	2,240	4,480
Miscellaneous	-	344	344
Mowing	345	-	345
Office and postage	-	1,909	1,909
QMRP	1,000	-	1,000
Commissions and Fees	-	1,560	1,560
Supplies	4,783	-	4,783
Repairs and maintenance	1,798	1,797	3,595
Taxes and licenses	-	42	42
Telephone	241	80	321
Training	-	153	153
Travel	-	348	348
Transportation	14,523	-	14,523
Utilities	3,483	1,162	4,645
Total expenses before depreciation	163,632	71,834	235,466
Depreciation	-	5,236	5,236
TOTAL EXPENSES	\$ 163,632	\$ 77,070	\$ 240,702

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2007**

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 (Clients).

The Clients participate and are paid for baking and selling pies to the general public, performing janitorial duties for businesses and ironing for individuals. The market for their products and services is Oak Grove and surrounding areas.

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 – the June 30, 2007, bank balance 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 509(a) of the Code.

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2007**

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

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 those estimates.

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 imply 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	10 - 35 years
Equipment	5 - 15 years
Vehicles	5 years

Maintenance and repairs of property and equipment are charged to operations while major improvements costing \$500 or more 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.

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2007**

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

Functional Allocation of Expenses:

The costs of providing the various programs and other activities have been summarized 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 those services as they do not meet the criteria for recognition under SFAS 116, *Accounting for Contributions Received and Contributions Made*.

Compensated Absences:

Full time Association employees will be given one day per month with pay for sick and emergency, or personal leave. Mary Biggs Services employees are given one-half day per month with pay after a six month trial period of employment, for sick and emergency, or personal leave.

NOTE 2. PROPERTY AND EQUIPMENT

A summary of the categories and applicable depreciation at June 30, 2007, is as follows:

<u>Category</u>	<u>Cost</u>	<u>Current Depreciation</u>	<u>Accumulated Depreciation</u>
Land	\$ 26,361	\$ -	\$ -
Building & improvements	41,139	674	34,285
Equipment	93,663	4,562	82,842
Total	\$ 161,163	\$ 5,236	\$ 117,127

Additions to equipment consisted of donations from individuals to the Association.

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

Oak Grove, Louisiana

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 2007

NOTE 3 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Association maintains checking accounts and certificates of deposits at local financial institutions. Interest bearing and non-interest bearing accounts at each financial institution are insured by the Federal Deposits Insurance Corporation (FDIC) up to \$100,000 each. The balance of funds held at the local financial institutions as of June 30, 2006, were adequately insured by the FDIC and securities pledged by the bank.

At June 30, 2007, the Association had cash and cash equivalents totaling \$40,153 and investments totaling \$120,166, all deposited in local financial institutions.

Demand deposits	\$ 40,153
Certificates of deposit	<u>120,166</u>
Total	<u>\$160,319</u>

Investing is performed in accordance with investment policies complying with state statutes and the Association's charter. The investments of the Association are categorized to give an indication of the level of risk assumed by the Association at June 30, 2007. The categories are described as follows:

Category 1 - Insured or registered, with securities held by the entity or its agents in the entity's name.

Category 2 -- Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the entity's name.

Category 3 – Uninsured and unregistered, with securities held by the counter-party, in its trust department in the entity's name.

All investments are certificates of deposit with maturity dates that exceed ninety days.

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposits insurance must at all times equal the amount on deposit with the bank. These securities are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2007, the Association had \$160,319 in deposits (collected bank balances). The deposits are secured by \$160,319 of federal deposit insurance (Category 1).

**WEST CARROLL ASSOCIATION FOR RETARDED
CITIZENS, INC.
Oak Grove, Louisiana
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2007**

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 no requirement that the program be renewed at 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 those terms. Case managers monitor the Association's records periodically.

NOTE 6. ACCRUED EXPENSES

The accrued expenses consist of compensated absences at the year-end in the amount of \$1,956.

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

Oak Grove, Louisiana

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2007**

PART 1 - Summary of the Auditor's Results

Financial Statement Audit

1. My auditor's report expresses an unqualified opinion.
2. There were no instances of noncompliance material to the financial statements of the West Carroll Association for Retarded Citizens, Inc. as required to be reported in accordance with *Government Auditing Standards*.
3. There were no reportable conditions required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States.

Audit of Federal Awards

During the year ended June 30, 2007, there was no federal financial assistance received by the West Carroll Association for Retarded Citizens, Inc.

PART II - Finding(s) relating to the financial statements which are required to be reported in accordance with *Generally Accepted Government Auditing Standards*.

NONE

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

Oak Grove, Louisiana

**SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2007**

PART 1 - Summary of the Auditor's Results

Financial Statement Audit

1. The auditor's report expressed an unqualified opinion.
2. There were no instances of noncompliance material to the financial statements of the West Carroll Association for Retarded Citizens, Inc. as required to be reported in accordance with *Government Auditing Standards*.
3. There were no reportable conditions required to be disclosed by *Government Auditing Standards* issued by the Comptroller General of the United States.

Audit of Federal Awards

During the year ended June 30, 2006, there was no federal financial assistance received by the West Carroll Association for Retarded Citizens, Inc.

PART II - Finding(s) relating to the financial statements which are required to be reported in accordance with *Generally Accepted Government Auditing Standards*.

NONE

DARLA S. TURNER, CPA

A Professional Accounting Corporation
2213 Liberty Street, Monroe, La. 71201
(318) 323-8891

Member:

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Certified Public Accountants

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

To the 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, 2007, and have issued my report thereon dated December 10, 2007. 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.

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 as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of West Carroll Association for Retarded Citizens, Inc.'s internal control over financial reporting.

A *control deficiency* 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

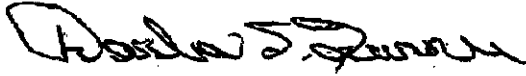
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies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

Compliance and Other Matters

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 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 my audit, and accordingly, I do not express such an opinion. The results of my 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 the Board of Directors, management of West Carroll Association for Retarded Citizens, Inc., others within the entity, and the Legislative Auditor of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.



DARLA S. TURNER
CERTIFIED PUBLIC ACCOUNTANT

December 10, 2007