

BEAUREGARD COMMUNITY CONCERNS, INC.
DeRidder, Louisiana

Financial Statements
June 30, 2003

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 3.10.04

John A. Windham, CPA

A Professional Corporation

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John A. Windham, CPA

Date: March 8, 2004

To: Legislative Auditor

Subject: Reissue of Beauregard Community Concerns, Inc.

The reason for the reissue is that while reviewing the audit report, errors were found on the cash flow statement.

The corrections made were on Statement D page 7.

Thank you,

John A. Windham, CPA (APC)

TABLE OF CONTENTS

	<u>Page No.</u>	<u>Statement</u>	<u>Schedule</u>
Independent Auditor's Report	1-2		
Statement of Financial Position	3	A	
Statement of Activities	4-5	B	
Statement of Functional Expenses	6	C	
Statement of Cash Flows	7-8	D	
Notes to the Financial Statements	9-13		
Schedule of Prior Year Audit Findings	14-15		1
Schedule of Current Year Audit Findings	16		2
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	17-18		

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John A. Windham, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Beauregard Community Concerns, Inc.
DeRidder, Louisiana

I have audited the accompanying statement of financial position of Beauregard Community Concerns, Inc. (a nonprofit organization), as of June 30, 2003, and the related statements of activities, functional expenses, and cash flows, for the year ended. These financial statements are the responsibility of the Beauregard Community Concerns, Inc. 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Beauregard Community Concerns, Inc., as of June 30, 2003 and the results of its operations 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 22, 2003 on my consideration of Beauregard Community Concerns, Inc.'s internal control over financial reporting and my test of its compliance with certain provisions of laws,

Board of Directors
Beauregard Community Concerns, Inc.
DeRidder, Louisiana
Page 2

regulations, contracts and grants. That 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.

John D. Windham, CPA

DeRidder, Louisiana
December 22, 2003

BEAUREGARD COMMUNITY CONCERNS, INC.
DeRidder, Louisiana

Statement A

Statement of Financial Position
June 30, 2003

ASSETS

Current Assets:

Cash	\$	71,995
Accounts Receivable		33,706
Total current assets	\$	<u>105,701</u>

Property and Equipment:

Equipment-net	\$	47,920
Buildings and improvements-net		142,352
Total property and equipment-net	\$	<u>190,272</u>

Total Assets	\$	<u>295,973</u>
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LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable	\$	3,726
Payroll taxes payable		4,611
Current portion of notes payable		12,852
Long-term notes payable		29,297
Total liabilities	\$	<u>50,486</u>

Net Assets:

Unrestricted - undesignated	\$	<u>245,487</u>
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Total Liabilities and Net Assets	\$	<u>295,973</u>
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The accompanying notes are an integral part of this statement.

BEAUREGARD COMMUNITY CONCERNS, INC.
DeRidder, Louisiana

Statement B

Statement of Activities
For the Year ended June 30, 2003

SUPPORT AND REVENUE

SUPPORT

Grants

Government:

OWS	\$	120,138
OWS-TANF		23,689
VAWA		12,580
ESGP		18,070
LCADV		17,454
LCADV-TANF		11,858
HMLS		3,659
CAC-CJA		15,000
Beauregard Parish Police Jury		9,619
Total government grants	\$	<u>232,067</u>

Private:

United Way	\$	131,628
IOLTA		11,585
Total private grants	\$	<u>143,213</u>

Total grants \$ 375,280

Cash contributions:

Individuals	\$	1,765
Business		4,184
Total cash contributions	\$	<u>5,949</u>

Contributed materials and services:

Individuals	\$	37,179
Business		12,004
Total contributed materials and services	\$	<u>49,183</u>

Total contributions \$ 55,132

Fund raising \$ 24,953

Total Support \$ 455,365

(Continued)

The accompanying notes are an integral part of this statement.

BEAUREGARD COMMUNITY CONCERNS, INC.
DeRidder, Louisiana

Statement B

Statement of Activities
For the Year ended June 30, 2003

REVENUE	
Interest income	\$ 1,343
Loss on sale of building	(45,667)
Miscellaneous income	2,943
Total Revenue	<u>\$ (41,381)</u>
Total Support and Revenue	<u>\$ 413,984</u>
<u>EXPENSES</u>	
Program services:	
June M. Jenkins Women's Shelter	\$ 367,287
Supporting service:	
Fund raising	<u>\$ 8,232</u>
Total Expenses	<u>\$ 375,519</u>
Excess (deficiency) of support and revenue over expenses	\$ 38,465
Net assets, beginning of year	207,022
Net assets, end of year	<u>\$ 245,487</u> (Concluded)

The accompanying notes are an integral part of this statement.

Statement of Functional Expenses
For the Year Ended June 30, 2003

	Program Services	Fund Raising	Total Expenses
Salaries and related benefits	\$ 179,998	\$ -	\$ 179,998
Payroll taxes	13,741	-	13,741
Unemployment expense	4,849	-	4,849
Health insurance	13,336	-	13,336
Workers compensation	3,103	-	3,103
Total salaries and related expenses	<u>\$ 215,027</u>	<u>\$ -</u>	<u>\$ 215,027</u>
Supplies	\$ 14,629	\$ 1,132	\$ 15,761
Insurance	9,622	-	9,622
Utilities	5,147	-	5,147
Telephone	12,792	-	12,792
Professional fees	2,455	7,100	9,555
Consulting Fees	2,167	-	2,167
Professional service consultation	1,196	-	1,196
Instructional material	6,080	-	6,080
Promotional expense	883	-	883
Client assistance	6,207	-	6,207
Membership dues	1,261	-	1,261
Travel and training	11,090	-	11,090
Postage	733	-	733
Printing and publishing	527	-	527
Occupancy	12,444	-	12,444
Equipment rental & maintenance	5,982	-	5,982
Donated materials	42,333	-	42,333
Donated services	3,184	-	3,184
Inspection	587	-	587
Program expense	322	-	322
Interest Expense	1,487	-	1,487
Miscellaneous	3,330	-	3,330
Total expenses before depreciation	<u>\$ 144,458</u>	<u>\$ 8,232</u>	<u>\$ 152,690</u>
Depreciation Purchased assets	<u>\$ 7,802</u>	<u>\$ -</u>	<u>\$ 7,802</u>
Total expenses	<u>\$ 367,287</u>	<u>\$ 8,232</u>	<u>\$ 375,519</u>

The accompanying notes are an integral part of this statement.

BEAUREGARD COMMUNITY CONCERNS, INC.
DeRidder, Louisiana

Statement D

Statement of Cash Flows
For the Year Ended June 30, 2003

Cash flows from operating activities:	
Cash received from grants	\$ 405,582
Cash received from donations	55,132
Cash received from Fund raising	24,953
Cash received from other activities	2,943
Cash payments for program activities	(151,451)
Cash payments to employees for salaries and related benefits	(215,027)
Net cash used for operating activities	<u>\$ 122,132</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	\$ (115,902)
Loss from sale of building	(45,667)
Principal payment on debt	(12,852)
Retirement of assets	100,630
Interest payment on debt	(1,487)
Net cash used for capital and related financing activities	<u>\$ (75,278)</u>
Cash flows from investing activities:	
Interest income	<u>\$ 1,343</u>
Net decrease in cash and cash equivalents	\$ 48,197
Cash and cash equivalents, beginning of year	<u>23,798</u>
Cash and cash equivalents, end of year	<u>\$ 71,995</u>

(Continued)

The accompanying notes are an integral part of this statement.

BEAUREGARD COMMUNITY CONCERNS, INC.
DeRidder, Louisiana

Statement D

Statement of Cash Flows
For the Year Ended June 30, 2003

RECONCILIATION OF NET INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES:

Net Income	<u>\$ 38,465</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	\$ 7,802
Loss on sale of building	45,667
Interest income	(1,343)
Interest expense	1,487
Changes in assets and liabilities:	
Decrease in accounts receivable	30,302
Decrease in prepaid expenses	2,916
Decrease in accounts payable	(3,164)
Total adjustments	<u>\$ 83,667</u>
Net cash used for operating activities	<u>\$ 122,132</u> (Concluded)

The accompanying notes are an integral part of this statement.

BEAUREGARD COMMUNITY CONCERNS, INC.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Organization

Beauregard Community Concerns, Inc. is a Louisiana non-profit corporation. Its purpose is to provide safety for victims of domestic violence through on-going resources and support for both their physical and emotional needs and to also educate the community about domestic violence. The significant accounting policies followed by the organization are described below to enhance the usefulness of the financial statements to the reader.

(b) Method of Accounting

The financial statements of Beauregard Community Concerns, Inc. have been prepared on the accrual basis of accounting, and accordingly reflect all significant receivables, payables, and other liabilities.

(c) Basic Programs

The basic program of Beauregard Community Concerns, Inc. is a shelter for women.

(d) Income Taxes

The Organization is qualified as an exempt Organization under Section 501 (C) (3) of the Internal Revenue Code and is not subject to federal income tax. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within Section 509 (c) of the Code.

(e) Support and Revenue

All contributions are revenues received and considered to be available for unrestricted use unless specifically restricted by the donor.

(f) Fixed Assets

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

BEAUREGARD COMMUNITY CONERNS, INC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(g) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful life of the asset, which ranges from 5-40 years. Depreciation expense for the year ended June 30, 2003 amounted to \$7,802.

(h) Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less.

(i) Prepaid Items

Prepaid amounts consist of insurance policy premiums paid in advance.

2. FIXED ASSETS AND DEPRECIATION

Fixed assets are included on the balance sheet net of accumulated depreciation. Depreciation of all exhaustible fixed assets is charged as an expense against operations. Depreciation is computed using the straight line method.

A summary of the Organization's assets as of June 30, 2003 follows:

Equipment	\$	82,415
Less accumulated depreciation		<u>(34,494)</u>
Total	\$	<u>47,921</u>
Buildings and improvements	\$	142,948
Less accumulated depreciation		<u>(596)</u>
Total	\$	<u>142,352</u>
Total net equipment, buildings and improvements	\$	<u>190,273</u>

3. DONATED FACILITIES, MATERIALS AND SERVICES

Donated materials, equipment, and use of facilities are reflected as contributions or fundraising support in the accompanying statements at their estimated values at the date of receipt. Donated services are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Made, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the criteria for SFAS No. 116 are not met.

BEAUREGARD COMMUNITY CONCERNS, INC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. LOUISIANA EMERGENCY SHELTER GRANT

Beauregard Community Concerns, Inc. receives funds from a Louisiana Emergency Shelter Grant which are received and disbursed by the Beauregard Parish Police Jury, and is included in the accompanying financial statements. This grant is provided by the United States Office of Community Services and is passed through the United States Office of Community Services. The monies are used to provide a temporary emergency shelter as a protective service for preventing or remedying neglect, abuse, or exploitation of children and adults. The funds amounted to \$18,070 for the year ended June 30, 2003.

5. ECONOMIC DEPENDENCY

The Organization receives a substantial portion of its total support and revenues from United Way. During the period ended June 30, 2003, Beauregard Community Concerns, Inc., received \$131,628 in grant support which represents 35% of total support and revenue.

6. FUNDING

Beauregard Community Concerns, Inc., receives funds from the Louisiana Bar Foundation under the IOLTA program. The monies are used to pay salaries and related expenses for services provided by legal advocates. The funds received for the year ended June 30, 2003, amounted to \$11,584. Beauregard Community Concerns, Inc., receives funds from the State of Louisiana Office of Women's Services. The monies are used to pay salaries of organization employees. The funds received for the year ended June 30, 2003, amounted to \$143,827. Total salary and related benefit expenses (less legal advocates) paid during the fiscal year amounted to \$179,998. The excess expenses were paid for with funding provided by other funding organizations.

7. RECEIVABLES

The following is a summary of receivables for June 30, 2003:

Class of Receivable

Grants:

Office of Women's Services	\$	29,478
La. Commission on Law Enforcement		1,010
LCADV		<u>3,218</u>
Total	\$	<u>33,706</u>

BEAUREGARD COMMUNITY CONERNS, INC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. ACCOUNTS AND OTHER PAYABLES

The following is a summary of payables at June 30, 2003:

Class of Payable	
Accounts	\$ 3,727
Payroll taxes	<u>4,611</u>
Total	<u>\$ 8,338</u>

9. CHANGES IN NOTES PAYABLE

The following is a summary of notes payable for the year ended June 30, 2003:

	<u>Note Payable</u>	<u>Promissory Note</u>	<u>Total</u>
Notes Payable			
at June 30, 2002	\$ 25,000	\$ 30,000	\$ 55,000
Additions	-	-	-
Principal payments	<u>(2,851)</u>	<u>(10,000)</u>	<u>(12,851)</u>
Notes Payable			
at June 30, 2003	<u>\$ 22,149</u>	<u>\$ 20,000</u>	<u>\$ 42,149</u>

Notes payable are compromised of the following individual issues.

Demand Note Payable - City Savings Bank & Trust Co.

\$25,000 Note payable to the order of Bearer Due on Demand dated of even date, payable at City Savings Bank & Trust Co., 301 N. Pine Street, DeRidder, LA, 70634 and stipulating to bear interest at the rate of sixteen percent per annum from date until paid. \$22,149

Promissory Note - Harper

\$30,000 Promissory note payable to the order of Brenda Harper in three annual installments of \$10,000 to include interest and be due November 1str of each year until paid. \$20,000

BEAUREGARD COMMUNITY CONCERNS, INC.

NOTES TO FINANCIAL STATEMENTS (CONCLUDED)

10. BUILDING SALE

Beauregard Community Concerns, Inc. purchased a larger facility for the operation of the shelter for women and sold the building that had previously been used as the women's shelter. The sale of the building resulted in a net loss of \$45,667. The loss was computed as follows:

Original donated value of building sold	\$	50,000
Donated and purchased improvements		<u>85,614</u>
Total	\$	135,614
Less: Accumulated depreciation		<u>(32,447)</u>
Basis of building sold	\$	103,167
Sales price of building		<u>(57,500)</u>
Loss on sale of building	\$	<u>45,667</u>

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2002

Prior Audit Findings

FINDING – FINANCIAL STATEMENT AUDIT

Internal Control

Audit Finding No. 1

Check being written, dated, signed and then held

Finding:

It appears that checks were being written and signed for payment of goods and services and then held as long as one month before being mailed out to vendors. In one instance, a check for over twelve thousand dollars was written on June 28, 2002, and did not clear the bank until July 30, 2002. Checks being signed and held lend themselves to mishandling and possible misappropriation.

Initial Occurrence – June 30, 2002

Corrective action taken – Yes

Audit Finding No. 2

Monthly Bank Accounts not being reconciled and monthly financial statements not being produced

Finding:

Bank statements of the three bank accounts maintained by Beauregard Community Concerns, Inc. have not been reconciled subsequent to the entity's year-end and prior to the audit report date, this period encompasses four months. Also, monthly financial statements have not been prepared during this period. At this point neither the Board of Directors nor the Executive Director have been provided with the necessary financial statements needed to insure proper fiscal management.

Initial Occurrence – June 30, 2002

Corrective action taken – Yes

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2002

Audit Finding No. 3

Lack of Fundraiser Documentation

Finding:

Documentation concerning an "art show" Fundraiser could not be located. A deposit into the Fundraising bank account in the amount of \$1,460 on June 2, 2002 was all that could be located.

Initial Occurrence – June 30, 2002

Corrective action taken – Yes

Audit Finding No. 4

Lack of Documentation of Settlement Funds

Finding:

The only documentation that could be found for a \$15,989 deposit was a copy of the check before it was cashed. Management could only remember that the money was from the Nine West Ladies Shoe Company and was the result of a lawsuit in which the shoe company was ordered by the court to disburse the suit settlement funds to various women's organizations. The prior Executive Director was to have driven to Lafayette, picked up the check, returned, and deposit it with no other documentation.

Initial Occurrence – June 30, 2002

Corrective action taken – Yes

Audit Finding No. 5

Missing or Misplaced Audit Documentation

Finding:

Management was unable to locate two of the fiscal years four quarterly payroll tax returns, Form's 941. These forms are IRS Forms concerning payroll taxes and are used during the audit process for verifying salaries and related payroll tax payments remitted to the government. Fortunately, I was able to justify myself as to the validity of salary and payroll tax expenses through other audit procedures. Also, invoice files were in no order on many occasions when an invoice was asked for, it could not be found until days later or not found at all.

Initial Occurrence – June 30, 2002

Corrective action taken – Yes

BEAUREGARD COMMUNITY CONCERNS, INC.
DeRidder, Louisiana

Schedule 2

SCHEDULE OF CURRENT YEAR AUDIT FINDINGS
For the Year Ended June 30, 2003

No audit findings for the year ended June 30, 2003.

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John A. Windham, CPA

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

To the Board of Directors
Beauregard Community Concerns, Inc.
DeRidder, Louisiana

I have audited the general purpose financial statements of Beauregard Community Concerns, Inc., as of and for the year then ended June 30, 2003, and have issued my report thereon dated December 22, 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 Beauregard Community Concerns, Inc.'s general purpose 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 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Beauregard Community Concerns, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting.

Board of Directors
Beauregard Community Concerns, Inc.
DeRidder, Louisiana

My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. 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 in amounts that would be material in relation to the general purpose 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of Beauregard Community Concern, Inc., others within the organization and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties, although under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Jeffrey L. Windham, CPA

DeRidder, Louisiana
December 22, 2003