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**PEOPLE UNLIMITED, INC.  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 1995**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 FEB 5 1997

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PROCESSED  
LEGISLATIVE AUDITOR

**PEOPLE UNLIMITED, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1996**

Permanently Restricted

There were no permanently restricted land, buildings, or equipment as of June 30, 1996.

**NOTE C: COMPENSATED ABSENCES**

Accrued compensated absences consist of unpaid sick leave and personally leave as follows:

Sick Leave	\$ 5,554
Personal Leave	7,786
	<hr/>
	\$ 13,340
	<hr/> <hr/>

**NOTE D: FUNCTIONAL EXPENSES**

Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

**NOTE E: PROGRAMS**

The organization's principal programs and primary funding sources are:

Adult Habilitation: The Adult Habilitation's income is derived from the Louisiana Department of Health and Hospitals. These funds are used to train clients in vocational and prevocational activities and supportive services. Service fees charges Community Bridges' clients for training in the amount of approximately \$ 202,300 are included in charges for services.

Vocational Rehabilitation: Vocational Rehabilitation's income is derived from the Department of Social Services, Office of Louisiana Rehabilitative Services. This program provides vocational training support to clients placed in jobs within the community.

Supported Work Contracts: Supported Work Contract's income is derived form services by clients which include janitorial and other contracts.

Supported/Independent Living: Supported Independent Living's income is derived form the Louisiana Department of Health and Hospitals. This program helps the individual clients become more independent by providing support and training in their residences within the community.

Respite: Respite's income is derived from the Louisiana Department of Health and Hospitals. The program provides

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

General Requirements

Political Activity  
Civil Rights  
Federal Financial Reports  
Allowable costs/cost principles  
Drug-free Workplace Act  
Administrative requirements

Specific Requirements

Types of Services allowed or not allowed  
Reporting  
Claims for advances and reimbursements  
Amounts claimed or used for matching

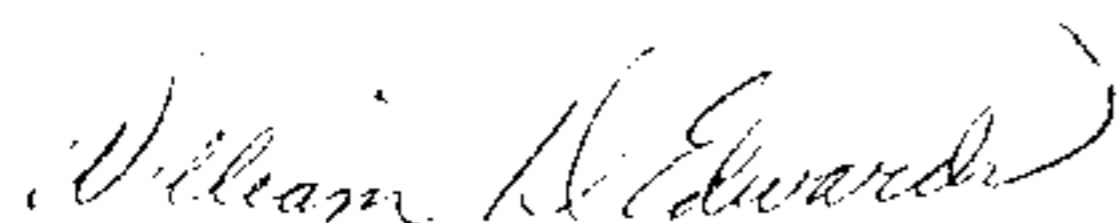
For all of the internal control structure categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

During the year ended June 30, 1996, People Unlimited, Inc., had no major programs and expended 100% of its total federal financial assistance under nonmajor federal financial assistance programs.

I performed tests of controls, as required by OMB Circular A-133, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that I considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or use for matching that are applicable to People Unlimited, Inc.'s nonmajor federal financial assistance program, which is identified in the accompanying Schedule of Federally and State Financial Assistance. My procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Directors and management of People Unlimited, Inc., its cognizant audit agency, other agencies granting funds to the organization and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record.



Ruston, Louisiana  
December 18, 1996

# WILLIAM D. EDWARDS

Certified Public Accountant  
A Professional Accounting Corporation  
Member: AICPA / Society of LCPA'S

## INDEPENDENT AUDITOR'S SINGLE AUDIT REPORT ON THE INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Board of Directors of  
People Unlimited, Inc.  
Ruston, Louisiana

I have audited the general purpose financial statements of People Unlimited, Inc. ( a nonprofit corporation), as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996.

I conducted my audits in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-133, "Audits of Institutions of Higher Education and Other Non-Profit Institutions." Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and whether People Unlimited, Inc., complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing my audits for the year ended June 30, 1996, I considered the internal control structure of People Unlimited, Inc., in order to determine my auditing procedures for the purpose of expressing my opinions on the general purpose financial statements of People Unlimited, Inc., and on the compliance of People Unlimited, Inc., with requirements applicable to major programs and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses my consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. I have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated December 18, 1996.

The management of People Unlimited, Inc., is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

# WILLIAM D. EDWARDS

Certified Public Accountant  
A Professional Accounting Corporation  
Member: AICPA / Society of LCPA'S

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of  
People Unlimited, Inc.  
Ruston, Louisiana

I have audited the general purpose financial statements of People Unlimited, Inc., a nonprofit organization, as of and from the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996.

I conducted my audit in accordance with generally accepted auditing standards and the standards for financial and compliance 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.

Compliance with laws, regulations, grants, and contracts applicable to People Unlimited, Inc., is the responsibility of the organization's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatements, I performed test of the organization's compliance with certain provisions of laws, regulations, and contracts. However, my objective was not to provide an opinion on overall compliance with such provisions. 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 Governmental Auditing Standards.

The noncompliance items noted in my report for the year ended June 30, 1995 have not been repeated.

This report is intended for the information of management of People Unlimited, Inc., and the Legislative Auditor's office. This restriction is not intended to limit the distribution of this report, which upon acceptance by the Board of Directors is a mater of public record.



Ruston, Louisiana  
December 18, 1996

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgement, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Because of a limited number of available personnel, it is not possible to adequately segregate certain incompatible duties, so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions that are also considered to material weaknesses as defined above. However, I believe all of the reportable conditions described above are material weaknesses.

This report is intended for the information of management of People Unlimited, Inc., and the Legislative Auditor's office. This restriction is not intended to limit the distribution of the report, which upon acceptance by the Board of Directors is a matter of public record.



Ruston, Louisiana  
December 18, 1996

**PEOPLE UNLIMITED, INC.  
NOTES TO SCHEDULES OF FEDERAL AND  
STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 1996**

**1. General**

The Schedules of Federal and State Financial Assistance presents the activity of all federal and state financial assistance programs of **People Unlimited, Inc.** All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included in the Schedule of Federal Financial Assistance.

**2. Basis of Accounting**

The Schedules of Federal and State Financial Assistance are presented using the accrual basis of accounting.

**3. Relationship to Combining Schedules of Revenue, Expenses, and Changes in Fund Balances**

Federal, state and local government financial assistance revenue and fees for service are included in intergovernmental revenue on the Statement of Support, Revenue, Expenses and Changes in Fund Balances. This revenue is further detailed on Schedule 2. Intergovernmental revenue consists of the following:

	<u>Federal Financial Assistance</u>	<u>State Financial Assistance</u>	<u>Fees for Services</u>	<u>Total Intergover- mental Revenue &amp; Supported Work Contracts</u>
1. Adult Services	\$	\$ 205,678	\$ 384,430	\$ 590,108
2. Respite	12,547			12,547
3. Residential Services	64,700			64,700
4. Children Services		136,383		136,383
5. Case Management	80,706			80,706
6. Personal Care Attendant	39,207			39,207
	<u>\$ 197,160</u>	<u>\$ 342,061</u>	<u>\$ 384,430</u>	<u>\$ 923,651</u>

# WILLIAM D. EDWARDS

Certified Public Accountant  
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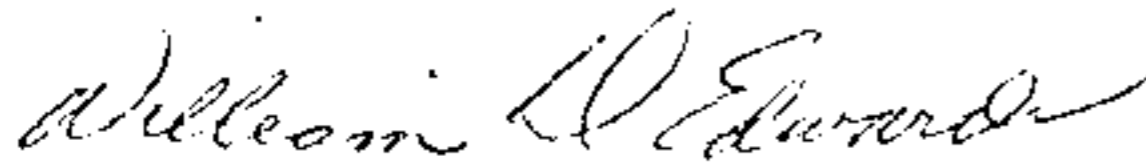
## INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL AWARDS

To the Board of Directors of  
People Unlimited, Inc.  
Ruston, Louisiana

I have audited the financial statements of People Unlimited, Inc. (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996. These financial statements are the responsibility of People Unlimited, Inc. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." Those standards and OMB Circular A-133 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.

My audit was conducted for the purpose of forming an opinion on the basic financial statements of People Unlimited, Inc. taken as a whole. The accompanying Schedule of Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



Ruston, Louisiana  
December 18, 1996



**PEOPLE UNLIMITED, INC.**  
**COMBINING SCHEDULE OF REVENUE, EXPENSES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 1996**

UNRESTRICTED

<u>Residential Services</u>	<u>Personal Care Attendant</u>	<u>Supporting Services Management and General</u>	<u>1996 Unrestricted Total</u>
\$ 64,700	\$ 39,207	\$ 0	\$ 539,221 237,409
			147,021
			3,858
<u>64,700</u>	<u>39,207</u>		<u>927,509</u>
31,234	51,514		846,329
<u>33,466</u>	<u>(12,307)</u>		<u>81,180</u>
0	0		
<u>\$ 33,466</u>	<u>\$ (12,307)</u>	<u>\$</u>	<u>\$ 81,180</u>
			(18,792)
			<u>\$ 62,388</u>

**PEOPLE UNLIMITED, INC.**  
**COMBINING SCHEDULE OF REVENUE, EXPENSES, AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 1996**

UNRESTRICTED

	<u>Adult Services</u>	<u>Children Services</u>	<u>Case Management</u>	<u>Respite</u>
Revenue				
Intergovernmental Supported Work Contracts	\$ 205,678	\$ 136,383	\$ 80,706	\$ 12,547
Charges for Services - Professional Staff	237,409			
Net Assets Released / Temporarily Restricted	147,021			
	3,858			
<b>Total Revenues</b>	<u>593,966</u>	<u>136,383</u>	<u>80,706</u>	<u>12,547</u>
Expenses	509,993	134,862	109,177	9,549
Excess (Deficiency) of Revenues Over Expenses	<u>83,973</u>	<u>1,521</u>	<u>(28,471)</u>	<u>2,998</u>
Other Financing Sources (Uses)	0	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenses and Other Financing Uses	<u>\$ 83,973</u>	<u>\$ 1,521</u>	<u>\$ (28,471)</u>	<u>\$ 2,998</u>
Fund Balances at Beginning of Year				
Prior Period Adjustments				
Fund Balance at End of Year				

# WILLIAM D. EDWARDS

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

To the Board of Directors of  
People Unlimited, Inc.  
Ruston, Louisiana

I have audited the general purpose financial statements of People Unlimited, Inc. ( a non-profit corporation ), as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996.

In connection with my audit of the general purpose financial statements of People Unlimited, Inc., and with my consideration of the organizations internal control structure used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-133, "Audits of Institutions of Higher Education and Other Non-Profit Institutions," I selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996.

As required by OMB Circular A-133, I have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed as applicable to those transactions. My procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on People Unlimited, Inc.'s compliance with these requirements. Accordingly, I do not express such an opinion.

With respect to the items tested, the results of my procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that People Unlimited, Inc. had not complied, in all material respects, with those requirements.

This report is intended for the information of the Board of Directors and management of People Unlimited, Inc., its cognizant audit agency, other agencies granting funds to the organization and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record.

*William D. Edwards*

Ruston, Louisiana  
December 18, 1996

**PEOPLE UNLIMITED, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1996**

temporary care within the client's home.

Personally Care Attendant: Personal Care Attendant's income is derived from the Louisiana Department of Health and Hospitals. This program provides support and training for individuals in satisfying their own personal needs.

Early Intervention: Early Intervention's income is derived from the Louisiana Department of Health and Hospitals, United Way, and Department of Education. This program provides training and therapeutic services to disabled infants, ages 0 - 3 years.

**NOTE F: TAX - EXEMPT STATUS**

The organization is exempt from income tax under Section 501 (c)(3) of the Internal Revenue Code and , therefore, has no provision for federal income taxes. Contributions to the organization are tax deductible within the limitations prescribed by the Code.

**NOTE G: CHANGE IN ACCOUNTING PRINCIPLES**

Change for New Pronouncements

People Unlimited, Inc. Adopted Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, in the year ended June 30, 1996. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. As permitted by SFAS No. 116, People Unlimited, Inc. has retroactively applied the provisions of this new Statement by restating net assets as of June 30, 1995. The adjustment made to net assets as of June 30, 1995, represents time and purpose - restricted contributions previously reported as deferred revenue. Under SFAS No. 116, such contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time restriction. There were no amounts for unconditional promises to give that were not previously recorded. There was no effect of this new Statement on People Unlimited, Inc.'s change in net assets for the year ended June 30, 1996.

In the year ended June 30, 1996, People Unlimited, Inc. adopted SFAS No. 117, *Financial Statements of Not For - Profit Organizations*. Under SFAS No. 117, People Unlimited, Inc. is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the new Statement, People Unlimited, Inc. has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets required. This reclassification had the effect on net assets -unrestricted for the year ended June 30, 1996 of decreasing net assets - unrestricted by \$ 14,728 and increasing net assets - temporarily restricted by \$ 14,728.

# WILLIAM D. EDWARDS

Certified Public Accountant  
A Professional Accounting Corporation  
Member: AICPA / Society of LCPA'S

## INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL STATEMENT AUDIT CONDUCTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of  
People Unlimited, Inc.  
Ruston, Louisiana

I have audited the general purpose financial statements of People Unlimited, Inc., a nonprofit organization, as of and for the year ended June 30, 1996, and have issued my report thereon dated December 18, 1996.

I conducted my audit in accordance with generally accepted auditing standards and the standards for financial and compliance 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 general purpose financial statements are free of material misstatement.

In planning and performing my audit of the general purpose financial statements People Unlimited, Inc., for the year ended June 30, 1996, I considered its internal control structure 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 structure.

The management of People Unlimited, Inc., is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal controls structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For all of the internal control structure categories, I obtained an understanding of the design of relevant policies and procedures, determined whether they have been placed in operation, and assessed control risk.

# WILLIAM D. EDWARDS

Certified Public Accountant  
A Professional Accounting Corporation  
Member: AICPA / Society of LCPA'S

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
People Unlimited, Inc.  
Ruston, Louisiana 71270

I have audited the balance sheet of People Unlimited, Inc., a nonprofit organization, as of June 30, 1996, and the related statements of support, revenue, and expenses and changes in fund balances and functional expenses for the year then ended. These financial statements are the responsibility of People Unlimited, 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 generally accepted auditing standards and the standards for financial and compliance 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 People Unlimited, Inc., as of June 30, 1996, and the result of its operations and the changes in fund balances for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the basic financial statement taken as a whole. The information included as "Other Supplementary Information" in the Table of Contents is presented for the purposes of additional analysis and is not a required part of the basic financial statements of People Unlimited, Inc. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with Governmental Auditing Standards, I have also issued a report dated December 18, 1996 on my consideration of People Unlimited, Inc.'s internal control structure and a report dated December 18, 1996 on its compliance with laws and regulations.



Ruston, Louisiana  
December 18, 1996

**PEOPLE UNLIMITED, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1996**

Donated Services

A portion of People Unlimited, Inc.'s functions is conducted by unpaid volunteers. The value of this contributed time is not reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition under SFAS No. 116.

Lease Commitment

Rent expense is recognized on a straight - line basis over the term of the lease.

Restricted and Unrestricted Revenue and Support

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor - restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. Federal grant awards are classified as refundable advances until expended to for the purposes of the grants since they are conditional promises to give.

NOTE B: LAND, BUILDINGS AND EQUIPMENT

Unrestricted

There were no unrestricted capitalized land, buildings, or equipment as of June 30, 1996.

Temporarily Restricted

The corporation did not purchase two vehicles during the prior fiscal year for use completing specific contracts, at which time they become the property of the grantor.

	<u>June 30</u> <u>1995</u>	<u>Increase</u>	<u>Decrease</u>	<u>June 30</u> <u>1996</u>
Vehicle	\$ 9,500	\$ 9,600	\$	\$ 9,500
Equipment				9,600
Less Accumulated Depreciation	(264)	(3,858)		(4,122)
Deferred Support	<u>\$ 9,236</u>	<u>\$ 5,742</u>	<u>\$ -0-</u>	<u>\$ 14,978</u>

**PEOPLE UNLIMITED, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30,1996**

**NOTE A: NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

People Unlimited, Inc., was established in 1987, and received their tax exempt status as a 501 (c) (3) organization in October, 1990, to promote the general welfare of all mentally challenged persons. Their programs are designed to assist and train clients to become independent citizens within the community. The principal programs consist of *vocational training, temporary care of clients, and early intervention.*

**Basis of Accounting**

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

**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.

**Contributions**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor - restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of *Activities as net assets released from restrictions.*

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, People Unlimited, Inc. considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Fixed Assets, Depreciation and Amortization**

Fixed assets are stated at cost. Depreciation is provided on the straight - line method over the estimated useful lives of the assets.



<u>Residential Service</u>	<u>Professional Core Attendant</u>	<u>Management and General</u>	<u>1996</u>
\$ 17,156	\$ 39,779	\$ 85,323	\$ 558,521
	233	11,133	28,504
1,366	3,190	6,944	47,045
		656	3,001
75	149	753	4,040
			3,858
100	50	75	675
			2,192
			32,855
		1,243	1,243
			8,313
329	764	1,638	10,726
		2,162	2,162
		1,401	2,648
		35	2,055
17	52	2,246	4,941
		6,314	14,484
		13,306	24,487
		1,556	1,818
		342	3,401
		180	1,171
		3,325	4,954
			20,819
		6,714	10,883
			19,308
1,698	925	1,317	20,532
		3,193	11,693
<u>\$ 20,741</u>	<u>\$ 45,143</u>	<u>\$ 149,906</u>	<u>\$ 846,329</u>
10,493	6,371	(149,906)	0
<u>\$ 31,234</u>	<u>\$ 51,514</u>	<u>\$ 0</u>	<u>\$ 846,329</u>

See accompanying notes and auditor's report.

**PEOPLE UNLIMITED, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 1996**

	<u>Program Services</u>			
	<u>Adult Services</u>	<u>Children Services</u>	<u>Case Mangt. Service</u>	<u>Respite</u>
Compensation and related expenses				
Compensation	\$ 258,500	\$ 76,731	\$ 74,325	\$ 6,707
Employee benefits				
Medical	12,340	1,888	2,910	
Payroll Taxes	21,062	8,001	5,892	540
Conferences and training		2,345		
Data Processing	1,004	1,103	922	34
Depreciation	3,858			
Dues	300		100	50
Expendable equipment		2,192		
Food	32,855			
Insurance				
Property and casualty				
Vehicles	8,313			
Worker's comp	4,966	1,473	1,428	128
Interest				
Maintenance of building	1,247			
Maintenance of equipment	1,772	248		
Miscellaneous	1,845	385	345	51
Occupancy				
Utilities	6,248	1,922		
Lease	4,119	6,762	300	
Postage	23	239		
Supplies				
Cleaning and maintenance	3,011	48		
Medical	791	200		
Office	852	434	342	
Crews	20,819			
Telephone	1,509	1,050	1,610	
Transportation - auto	19,308			
Travel	3,491	5,200	7,901	
Other - Professional Service	6,000	2,500		
TOTAL EXPENSES BEFORE ALLOCATION	<u>\$ 414,233</u>	<u>\$ 112,721</u>	<u>\$ 96,075</u>	<u>\$ 7,510</u>
ALLOCATE MANAGEMENT AND GENERAL	95,760	22,141	13,102	2,039
TOTAL EXPENSES	<u><u>\$ 509,993</u></u>	<u><u>\$ 134,862</u></u>	<u><u>\$ 109,177</u></u>	<u><u>\$ 9,549</u></u>

See accompanying notes and auditor's report.

**PEOPLE UNLIMITED, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 1996**

	1996
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (decrease) in net assets	\$ 86,922
Adjustments to reconcile change in net assets to net cash Provided (used) by operating activities:	
Depreciation	3,858
(Increase) decrease in operating assets	
Unrestricted unconditional promises to give - Receivable	2,907
Accounts Receivable - Employees	12,790
Prepaid Expenses	4,012
Increase (decrease) in operating liabilities	
Accounts Payable	(30,884)
Accrued Liabilities	(649)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	78,956
CASH FLOWS FROM INVESTING ACTIVITIES	
Payments for property and equipment	(9,600)
CASH FLOWS FROM FINANCING ACTIVITIES	
Decrease in Deferred support	(9,236)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	60,120
BEGINNING CASH AND CASH EQUIVALENTS	(37,446)
ENDING CASH AND CASH EQUIVALENTS	22,674
Taxes - Cash Basis	- 0 -
Interest - Cash Basis	2,162

See accompanying notes and auditor's report.

**PEOPLE UNLIMITED, INC.**  
**STATEMENT OF SUPPORT, REVENUE, EXPENSES,**  
**AND CHANGES IN FUND BALANCES**  
**YEAR ENDED JUNE 30, 1996**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE, GAINS, AND OTHER SUPPORT				
Unrestricted revenues, gains, and other support	\$ 384,430	\$	\$	\$ 384,450
Restricted revenues, gains, and other support:				
Intergovernmental Grant	539,221	9,600		539,221 9,600
Net assets released from restrictions	3,858	( 3,858)		- 0-
	<u>927,509</u>	<u>5,742</u>	<u>- 0 -</u>	<u>933,251</u>
TOTAL REVENUES, GAINS, AND OTHER SUPPORT				
EXPENSES AND LOSSES				
Unrestricted expenses and losses	<u>846,329</u>			<u>846,329</u>
TOTAL EXPENSES AND LOSSES	<u>846,329</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>846,329</u>
INCREASE (DECREASE) IN NET ASSETS	81,180	5,742	- 0 -	86,922
NET ASSETS AT BEGINNING OF YEAR	(18,792)	9,236	- 0 -	(9,556)
NET ASSETS AT END OF YEAR	<u>\$ 62,388</u>	<u>\$ 14,978</u>	<u>\$ 0</u>	<u>\$ 77,366</u>

See accompanying notes and auditor's report.

**PEOPLE UNLIMITED, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 1996**

	<u>1996</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash	\$ 22,674
Accounts Receivable - Employees	4,468
Accounts receivable	80,192
Prepaid expenses	150
	107,484
<b>TOTAL CURRENT ASSETS</b>	
PROPERTY AND EQUIPMENT - Net	14,978
	\$ 122,462
	=====
<b>LIABILITIES AND NET ASSETS</b>	
<b>CURRENT LIABILITIES</b>	
Loan Payable	\$ 11,000
Accounts payable and payroll taxes payable	21,280
Accrued liabilities	12,816
	45,096
<b>TOTAL CURRENT LIABILITIES</b>	
	45,620
<b>TOTAL LIABILITIES</b>	
<b>NET ASSETS</b>	
Unrestricted	61,864
Temporarily restricted	14,978
Permanently restricted	- 0 -
	77,366
<b>TOTAL NET ASSETS</b>	
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 122,462

See accompanying notes and auditor's report

**PEOPLE UNLIMITED, INC.**  
**JUNE 30, 1995**

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**PEOPLE UNLIMITED, INC.**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 1996**

**NOTE H: RESTRICTIONS ON NET ASSETS**

The only restricted assets owned by People Unlimited, Inc. are fixed assets.

**NOTE I: FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and 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, based on the approximate ratio of total revenue.

**NOTE J: LEASES**

There were no capital leases at June 30, 1995. There is a three year lease for the principal facilities, with annual commitment of \$ 13,282.68, payable monthly in the amount of \$ 1,106.919, which expires June 30, 1997. All other facilities are rented on a month to month basis.

**NOTE K: RELATED PARTY TRANSACTIONS**

The amount shown as Accounts Receivable Employee is due from MRC Industries on behalf of the Executive Director. The balance was paid in the subsequent month.

**PEOPLE UNLIMITED, INC.  
SCHEDULE OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED JUNE 30, 1996**

<u>Grant/Program Title</u>	<u>Grant Assistance I.D. number</u>	<u>State Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditure</u>	<u>Total State Grant June 30, 1996</u>
Louisiana Department of Health and Hospitals					
Office of Mental Retardation/ Developmental Disabilities:					
Social Services/ Adult Habilitation	DHH#55401	\$ 187,754	\$ 183,892	\$ 183,892	\$ 183,892
Social Services/ Infant Habilitation	DHH#55417	94,772	87,712	94,772	87,712
Office for Citizens With Developmental Disabilities:					
Social Services/ Infant Habilitation /89-313	DHH#53865	4,554	4,554	4,554	4,554
Social Services/ Supervised Apartments	DHH#55924	8,307	8,307	8,307	8,307
<b>TOTAL STATE ASSISTANCE</b>		<u>\$ 295,387</u>	<u>\$ 284,465</u>	<u>\$ 291,525</u>	<u>\$ 284,465</u>