

**Reports Based on an Audit of Financial Statements
Performed in Accordance With Government Auditing Standards**

Reports in Accordance With OMB Circular A-133

COOK & MONROE

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**Compliance Report Based on an Audit of the Financial
Statements Performed in Accordance With Government Auditing Standards**

To the Board of Directors
Providence House
Shreveport, Louisiana

We have audited the financial statements of Providence House as of September 30, 1990 and for the year ended September 30, 1990, and have issued our report thereon dated February 21, 1991.

We conducted our audit in accordance with generally accepted auditing standards and 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 financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Providence House is the responsibility of Providence House's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Providence House's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Organization. This restriction is not intended to limit the distribution of this report.

Cook & Monroe
Certified Public Accountants
February 21, 1991

Providence House
Notes to Financial Statements
September 30, 1999

(C) **Summary of Significant Accounting Policies**

A. Nature of Activities

Providence House is a nonprofit corporation under the laws of the State of Louisiana. Providence House was established to provide housing services, training, employment and opportunities for breaking the cycle of homelessness.

The following grants—contracts were administered by Providence House during the year ended September 30, 1999:

Emergency Shelter Grants Program

Provides funds to assist in maintaining a shelter for homeless families. Funding is provided by Federal funds passed through the City of Shreveport.

Emergency Food and Shelter - FEMA

Provides funds to assist in maintaining a shelter for homeless families. Funding is provided by Federal funds passed through the local FEMA Board.

Children's Trust Fund

Provides funds to assist homeless children and their families to aid in the prevention of child abuse and neglect. Specifically to implement a resource support system to provide emotional, medical, educational and recreational support services for homeless children and their parents. Funding is provided by Federal and state funds passed through the State of Louisiana Department of Social Services.

Supplemental Assistance for Facilities to Assist the Homeless (SAFAR)

Provides funds for the operation of a child care program for the residents of a homeless shelter and other homeless children. Funding is provided by Federal funds passed through Shreveport SRO, Inc.

(Continued)

Providence House
Notes to Financial Statements
September 30, 1988
(Continued)

Community Development Block Grant

Provides funds to provide shelter for the homeless and to assist families with breaking the cycle of homelessness. Specifically, to ensure that families will be allowed to move from a structured program to an unstructured, independent program through a series of levels showing a proven responsibility and disciplined lifestyle. Funding is provided by federal and state funds passed through the City of Cleveland.

Supportive Housing Program -- Transitional Living Program

Provides funds to facilitate the movement of homeless individuals and families to permanent housing. The temporary housing is combined with supportive services to enable homeless individuals and families to live as independently as possible. Funding is provided by federal funds from the U.S. Department of Housing and Urban Development.

Special Milk Program

Provides funds to assist in providing milk to children who are residents of a homeless shelter, or children who are otherwise homeless. Funding is provided by federal funds passed through the State of Louisiana Department of Education.

B. Basis of Accounting

The financial statements of Providence House have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

C. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards SFAS No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization 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.

D. Investments

Investments consist of U.S. Treasury Bills. Investments are stated at cost, which approximates the market value.

(Continued)

Providence House
Notes to Financial Statements
September 30, 1998
(Continued)

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

F. Cash and Cash Equivalents

Cash equivalents, as stated for cash flow purposes, consists of non-interest bearing bank accounts, short term highly liquid investments which are readily convertible into cash within ninety (90) days of purchase.

G. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The funding sources and the federal government may have a reversionary interest in property purchased with those funds. Its disposition as well as the ownership of any proceeds therefrom is subject to certain funding source regulations.

H. Revenue and Support

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

Contractual grant revenue is reported as unrestricted support due to the restrictions placed on these funds by the funding sources being met in the same reporting period as the revenue is earned.

Support that is restricted by the donor is reported as an increase in restricted 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.

(Continued)

Providence House
Notes to Financial Statements
September 30, 1996
(Continued)

i. Income Tax Status

Providence House is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code, and therefore, is not subject to income taxes.

j. Retirement Plan

Providence House established a profit-sharing plan for eligible employees. The plan's effective date is October 1, 1984. The name of the plan is Providence House Retirement Plan.

The plan shall cover only employees having completed at least one year of service and having attained age 21. The employee contribution amount is determined by appropriate action of the Employer as of the time prescribed by law.

Providence House has accrued \$18,825 for the plan for the year ended September 30, 1996.

ii. Change in Accounting Principles

Providence House elected to adopt Statement of Financial Accounting Standards (SFAS) No. 118, *Accounting for Contributions Received and Contributions Funds*, during the year ended September 30, 1996. In accordance with SFAS No. 118, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the substance and/or nature of any donor restrictions. This adoption had no effect on the change in net assets for the year ended September 30, 1996.

During the year ended September 30, 1996, Providence House elected to adopt Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, Providence House 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. In addition, Providence House is required to present a Statement of Cash Flows. Providence has accordingly reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect on the change in net assets for the year ended September 30, 1996.

(Continued)

Providence House
Notes to Financial Statements
September 30, 1998
(Continued)

23 Financial Instruments

Concentrations of Credit Risk

Financial instruments that potentially subject Providence House to concentrations of credit risk consist principally of temporary cash investments and government grant receivables.

Providence House maintains its cash balances at a local financial institution located in their service delivery area. The balances are insured by the FDIC up to \$100,000. Also, at September 30, 1998 Providence House maintained \$85,533 in a U.S. Treasury money fund and \$88,278 in U.S. Treasury bills through a local financial institution. At September 30, 1998 there were no uninsured balances at that institution.

Concentrations of credit risk with respect to grant receivables are limited due to the receivables being due from governmental agencies under contractual terms. As of September 30, 1998, Providence House had no significant concentrations of credit risk in relation to receivables.

24 Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from the funding sources at September 30, 1998 but not received until after that date.

25 Fixed Assets

A summary of fixed assets as of September 30, 1998 follows:

| | Estimated Useful Life | Cost — Basis — | Accumulated Depreciation |
|------------------------|--------------------------|-------------------|-----------------------------|
| Land | N/A | \$ 12,000 | \$ — |
| Buildings | 28 years | 95,180 | 28,775 |
| Building improvements | 26 years | 36,188 | 5,470 |
| Furniture & fixtures | 7 years | 34,885 | 18,685 |
| Office equipment | 5 years | 41,283 | 18,080 |
| Kitchen equipment | 7 years | 2,475 | 2,085 |
| Playground equipment | 7 years | 1,170 | 282 |
| Classroom computer lab | 5 years | 47,581 | 3,521 |
| Vehicles | 5 years | 24,448 | 2,448 |
| | | <u>\$ 362,230</u> | <u>\$ 78,236</u> |

(Continued)

COOK & MOHRHART

Chartered Public Accountants

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A. EMMETT HALL, INC.

Report on Internal Control Structure in Accordance With Government Auditing Standards

To the Board of Directors
Providence House
Shreveport, Louisiana

We have audited the financial statements of Providence House as of September 30, 1990 and for the year ended September 30, 1990, and have issued our report thereon dated February 21, 1991.

We conducted our audit in accordance with generally accepted auditing standards and 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 financial statements are free of material misstatement.

The management of Providence House 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 control 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of 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.

In planning and performing our audit of the financial statements of Providence House as of September 30, 1990 and for the year then ended, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Revenue Report
Mississippi, Louisiana
Schools of Federal Grants
For the Year Ending September 30, 1988

| Federal Agency / Title Through Grants / Program Title | Federal FDS Number | Agency Fiscal Year | Amount |
|--|-----------------------|-----------------------|---------------|
| Federal Emergency Management Agency Federal Through American Red Cross Emergency Food and Shelter | 84-52 | 88 | 15,199 |
| U.S. Department of Agriculture Federal Through the State of Louisiana, Department of Agriculture Special Milk Program | 85-508 | 88 | 1,082 |
| Total example programs | | | <u>16,281</u> |
| Total Federal expenditures | | | <u>16,281</u> |

President Bush
 Overview, Leaders
 Schedule of Federal Awards
 for the Year Ended September 30, 2008

| Federal Agency / Program-Through Center / Reporting Title | Federal CFDA Number | Agency Pass-Through Number | Expenditures |
|---|------------------------|----------------------------------|----------------|
| SALES PROGRAMS | | | |
| U.S. Department of Housing and Urban Development Executive Housing Program | 14.232 | L498-000-00192 | 1 113,062 |
| Prized through Shreveport (2008) Inc. Supplemental Assistance for Activities in Area of Interest (SAIIS) | 14.236 | N/A | 67,847 |
| Total major programs | | | <u>180,909</u> |
| NONSALES PROGRAMS | | | |
| U.S. Department of Housing and Urban Development Prized through the City of Shreveport Emergency Shelter Grants Program | 14.231 | N/A | 1 2,041 |
| Round IV | 14.231 | N/A | 42,881 |
| Round IV | 14.231 | N/A | 27,278 |
| Round IV | 14.231 | N/A | 2,791 |
| Round IV | 14.231 | N/A | 2,791 |
| Subtotal - U.S. Department of Housing and Urban Development | | | <u>55,782</u> |
| Excluded | | | |
| | | | 14 |

COOK & MONCHART

Certified Public Accountants

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CMA, CFP, CFA

Report on Schedule of Federal Awards

To the Board of Directors
Providence House
Shreveport, Louisiana

We have audited the financial statements of Providence House for the year ended September 30, 1989 and have issued our report thereon dated February 27, 1997. These financial statements are the responsibility of Providence House's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards: Government Auditing Standards, issued by the Comptroller General of the United States and OMB Circular A-133, Audit of Institutions of Higher Education and Other Nonprofit Organizations. Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

The audit was made for the purpose of forming an opinion on the financial statements of Providence House 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 financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.



Cook & Monchart
Certified Public Accountants
February 27, 1997

Providence House
Notes to Financial Statements
September 30, 1998
(Continued)

110 Note Payable

Providence House had one note payable at September 30, 1998 as follows:

Note payable to a bank dated April 24, 1996 to assist in the purchase of a 1996 van. The note is secured by the van with an interest rate of 8.75%. The original amount of the note was \$79,080 payable over 36 months with a monthly payment of \$1636.

The following is a schedule of the debt maturing in subsequent fiscal years:

| <u>September 30</u> | <u>Amount</u> |
|---------------------|-----------------|
| 1997 | 4 8,783 |
| 1998 | 8,551 |
| 1999 | <u>4,530</u> |
| | <u>4 18,004</u> |

Interest expense on this note for the year ended September 30, 1998 was \$578.

111 Fair Value of Financial Instruments

Statement of Financial Accounting Standards No. 157, "Disclosures About Fair Value of Financial Instruments", requires that Providence House disclose estimated fair values for its financial instruments. The carrying amount of all financial instruments approximates fair value.

Our 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 specific internal control structure elements does not reduce to a relatively low level the risk that error or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. 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 management, the Board of Directors and the various funding sources of the Organization. This notification is not intended to limit the distribution of this report.



Carl S. Muehlen
Certified Public Accountant
February 21, 1997

COOK & MORGENTHAU

Certified Public Accountants

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Independent Auditor's Report

To the Board of Directors
Providence Home

We have audited the accompanying statement of financial position of Providence Home (a nonprofit organization) as of September 30, 1988, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations. These standards and OMB Circular A-133 require that we 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Providence Home at September 30, 1988, and the results of its operations and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated February 21, 1987 and shown on pages 11-18 on our consideration of Providence Home's internal control structure and a report dated February 21, 1987 and shown on page 19 on its compliance with laws and regulations.

Cook & Morgenthau
Certified Public Accountants
February 21, 1987

Providence House

Schedule of Findings and Questioned Costs

September 30, 1995

There were no compliance findings or questioned costs in the previous audit for the year ended September 30, 1995.

There are no compliance findings or questioned costs in this audit for the year ended September 30, 1995.

COOK & MORSEBART

Certified Public Accountants

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MEMBERSHIP LISTING, P.O.
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A. EDWARD HILL, CPA

Report on Compliance With Specific Requirements Applicable to Nonmajor Program Transactions

To the Board of Directors
Presidence House
Monroe, Louisiana

We have audited the financial statements of Presidence House as of September 30, 1990 and for the year ended September 30, 1990, and have issued our report thereon dated February 21, 1991.

In connection with our audit of the financial statements of Presidence House, and with our consideration of Presidence House's internal control structure used to administer federal programs, as required by Office of Management and Budget (OMB) Circular A-133, *Audit of Institutions of Higher Education and Other Nonprofit Organizations*, we selected certain transactions applicable to certain nonmajor federal programs for the year ended September 30, 1990. As required by OMB Circular A-133, we performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Presidence House's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of our procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Presidence House, had not complied, in all material respects, with these requirements.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Organization. This restriction is not intended to limit the distribution of this report.



Cook & Morsebart
Certified Public Accountants
February 21, 1991

COOK & MORGENTHAU

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Report on Compliance With General Requirements

To the Board of Directors
Presidence House
Shreveport, Louisiana

We have audited the financial statements of Presidence House as of September 30, 1989 and for the year ended September 30, 1989, and have issued our report thereon dated February 21, 1990.

We have applied procedures to test Presidence House's compliance with the following requirements applicable to its federal programs, which are identified in the accompanying schedule of federal awards for the year ended September 30, 1989:

| | |
|------------------|------------------------------------|
| Federal activity | Federal financial reports |
| Civil Rights | Allowable costs / costs principles |
| Cash management | Administrative requirements |
| | Drug-free workplace |

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Audits of Institutions of Higher Learning and Other Non-Profit Institutions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Presidence House's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of our procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Presidence House had not complied, in all material respects, with these requirements.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Organization. This restriction is not intended to limit the distribution of this report.

Cook & Morgenthau
Certified Public Accountants
February 21, 1990

COOK & MOEBHART

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Opinion on Compliance With Specific Requirements Applicable to Major Federal Programs

To the Board of Directors
Providence House
Monroepoly, Louisiana

We have audited the financial statements of Providence House as of and for the year ended September 30, 1976, and have issued our report thereon dated February 21, 1977.

We have also audited Providence House's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort, or cost-sharing; reporting; claims for advances and reimbursements; and special tests that are applicable to each of its major federal programs, which are identified in the accompanying Schedule of Federal Awards, for the year ended September 30, 1976. The management of Providence House is responsible for Providence House's compliance with these requirements. Our responsibility is to express an opinion on compliance with these requirements based on our audit.

We conducted our audit of compliance with these requirements in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and BIV's of Management and Budget Circular A-133, Audits of Institutions of Higher Education and Other Nonprofit Organizations. These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Providence House's compliance with these requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, Providence House complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort, or cost-sharing; reporting; claims for advances and reimbursements; and special tests that are applicable to each of its major federal programs for the year ended September 30, 1976.

This report is intended for the information of management, the Board of Directors and the various funding sources of Providence House. This restriction is not intended to limit the distribution of this report.

Cook & Moebhart
Certified Public Accountants
February 21, 1977

During the year ended September 30, 1968, Providence House expended 74% of its total federal awards under its one major federal award program and the following nonmajor programs:

1. U.S. Department of Housing and Urban Development
Emergency Shelter Grants Program

CFDA # 14.250

We performed tests of controls, as required by SAS Circular 4-123, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that are 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 used for matching that are applicable to Providence House's major program, which is identified in the accompanying schedule of federal awards, and the aforementioned nonmajor program. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal awards would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a 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 awards 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 operations that we consider to be material weaknesses as defined above.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Organization. This restriction is not intended to limit the distribution of this report.


Cook & Washburn
Certified Public Accountants
February 21, 1969

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

Accounting controls

Cash

Revenues, receivables and receipts

Expenditures for goods and services and accounts payable

Payroll and related liabilities

Property, equipment and capital expenditures

Debt and other liabilities

Governmental financial assistance programs

Controls used in administering individual federal programs

General requirements

Political activity

Civil Rights

Cash management

Federal financial reports

Allowable cost/expense principles

Administrative requirements

Drug-free workplace

Specific requirements

Types of services

Eligibility

Matching level of effort

Reporting

Cost allocation

Special requirements if any

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

Providence House
 Notes to Financial Statements
 September 30, 1998
 (Continued)

(6) **Restricted Cash - Revestment Funds**

The balance represents funds held by Providence House on behalf of the tenants of Providence House. Providence House has implemented a program whereby the tenants agree to accrue-deposit a certain percent of their support - wages into this account as they receive those funds. Upon graduation and/or leaving the shelter these funds will be distributed to the tenant. This amount is also shown as accrued revestment funds in the liability section on the statement of financial position.

(7) **Unrestricted Net Assets - Designated**

Included in the unrestricted net assets are amounts designated by the Board for the following:

| | |
|--|------------------|
| Funds received from insurance company designated for repairs to roofing structure | \$ 10,875 |
| Funds received from a local organization designated for non-operating - capital expenditures | <u>62,755</u> |
| | <u>\$ 73,630</u> |

(8) **Contractual Revenues - Grants**

Revenues shown as contracts with governmental agencies for the year ended September 30, 1998 consist of the following:

| | |
|------------------------|-------------------|
| City of Newport - (BO) | \$ 81,843 |
| FEMA | 15,186 |
| Children Trust Fund | 28,000 |
| SACAH Grant | 43,847 |
| Special MH Program | 1,882 |
| CSOS | 3,731 |
| U.S. Department of HUD | <u>112,880</u> |
| | <u>\$ 288,169</u> |

(9) **Accrued Expenses**

Included in the amount as of September 30, 1998 is the accrued contribution to the retirement plan.

(Continued)

Providence House

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Providence Home
 Statement of Functional Expenses
 For the Year Ended September 30, 1990

| | Program Services | General Administration | Fund Building | Total |
|--|---------------------|---------------------------|------------------|-------------------|
| Expenses: | | | | |
| Salaries and wages | \$ 526,715 | \$ 18,685 | \$ 6,658 | \$ 552,058 |
| Employee benefits | 20,817 | 1,584 | 524 | 22,925 |
| Payroll taxes and workers compensation | 84,807 | 2,014 | 828 | 87,649 |
| Office expense | - | 8,688 | 12,418 | 21,106 |
| Legal and accounting | - | 2,580 | - | 2,580 |
| Telephone | - | 3,814 | - | 3,814 |
| Utilities | 25,700 | - | - | 25,700 |
| Insurance | 6,400 | - | - | 6,400 |
| Repairs and maintenance | 12,548 | - | - | 12,548 |
| Vehicles | 2,528 | - | - | 2,528 |
| Facilities expense | 7,884 | - | - | 7,884 |
| Children's summer program | 10,300 | - | - | 10,300 |
| Facilities production program | 5,908 | - | - | 5,908 |
| Facilities counseling program | 18,073 | - | - | 18,073 |
| Other | 1,421 | 11,805 | - | 13,226 |
| Depreciation | 21,480 | 5,857 | - | 27,337 |
| Total expense | \$ 608,825 | \$ 60,115 | \$ 28,581 | \$ 697,521 |

The accompanying notes are an integral part of the financial statements.

Providence House
 Statement of Cash Flows
 For the Year Ended September 30, 1998

Operating activities

| | | |
|---|---|---------|
| Change in net assets | 1 | 80,789 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | | 27,270 |
| Increase (decrease) in operating assets: | | |
| Grant receivable | | 8,541 |
| Other receivable | 1 | 5,220 |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable | | 2,694 |
| Accrued expenses | 1 | 8,205 |
| Net cash provided by operating activities | | 112,687 |

Investing Activities

| | | |
|---------------------------------------|---|--------|
| Payments for property and equipment | 1 | 88,429 |
| Net cash used in investing activities | | 88,429 |

Financing Activities

| | | |
|---|---|--------|
| Proceeds from note payable | | 28,000 |
| Payments on note payable | 1 | 1,889 |
| Net cash provided in financing activities | | 18,034 |

Net (decrease) in cash and cash equivalents 32,586

Cash and cash equivalents as of beginning of year 132,732

Cash and cash equivalents as of end of year 165,287

The accompanying notes are an integral part of the financial statements.

Providence House
Statement of Financial Position
September 30, 2006

Assets

| | |
|------------------------|----------------|
| Current assets: | |
| Cash | \$ 1,478 |
| Investments | 153,808 |
| Grant receivables | 35,884 |
| Other receivables | <u>1,683</u> |
| Total current assets | <u>182,853</u> |

| | |
|--------------------------------|-----------------|
| Property and equipment: | |
| Property and equipment | 367,282 |
| Accumulated depreciation | <u>(17,224)</u> |
| Total property and equipment | <u>350,058</u> |

| | |
|--------------------------------------|--------|
| Other assets: | |
| Restricted cash – readjustment funds | 11,835 |

Total Assets \$ 478,347

Liabilities and Net Assets

| | |
|--------------------------------|--------------|
| Current liabilities: | |
| Accounts payable | \$ 7,528 |
| Accrued expenses | 39,879 |
| Current portion – note payable | <u>8,263</u> |
| Total current liabilities | 55,670 |

| | |
|----------------------------------|---------------|
| Long-term portion – note payable | 11,771 |
| Excessed readjustment funds | <u>11,835</u> |
| Total liabilities | <u>79,276</u> |

| | |
|--------------------------------|----------------|
| Net assets, restricted: | |
| Unrestricted | 411,023 |
| Temporarily restricted | <u>16,588</u> |
| Total net assets | <u>427,611</u> |

Total Liabilities and Net Assets \$ 478,347

The accompanying notes are an integral part of the financial statements.

Providence House
 Statement of Activities
 For the Year Ended September 30, 1998

| | <u>Unrestricted</u> | <u>Temporarily Restricted</u> | <u>Total</u> |
|--|---------------------|-----------------------------------|-------------------|
| Revenues and Other Support: | | | |
| Contractual revenue – grants | \$ 284,158 | \$ – | \$ 284,158 |
| United Way allocation | 48,548 | – | 48,548 |
| Donations and contributions | 315,758 | 10,608 | 326,366 |
| Interest income | 2,127 | – | 2,127 |
| | <u>650,591</u> | <u>10,608</u> | <u>661,199</u> |
| Total revenues and other support | | | |
| Functional Expenses: | | | |
| Program services | 508,675 | – | 508,675 |
| General administrative | 68,115 | – | 68,115 |
| Rund raising | 20,601 | – | 20,601 |
| | <u>597,391</u> | <u>–</u> | <u>597,391</u> |
| Total expenses | | | |
| Change in net assets | 53,200 | 10,608 | 63,798 |
| Net assets as of beginning of year, restated | 348,178 | – | 348,178 |
| | <u>\$ 401,378</u> | <u>\$ 10,608</u> | <u>\$ 411,986</u> |
| Net assets as of end of year | <u>\$ 411,021</u> | <u>\$ 10,608</u> | <u>\$ 421,629</u> |

The accompanying notes are an integral part of the financial statements.