

97002580  
1094

OFFICIAL  
FILE COPY  
DO NOT SEND OUT  
Please do not  
write back  
without stamp  
1/10/94

RECEIVED

97002580  
1094

97002580  
1094

**CATAHOULA COUNCIL ON AGING, INC.**  
Sicily Island, Louisiana

**FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORTS**

**June 30, 1998**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewer, 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... JAN 13 1999

CATAHOULA COUNCIL ON AGING, INC.  
SICILY ISLAND, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
Independent Auditors' Report		1
<b>FINANCIAL STATEMENTS</b>		
Combined Balance Sheet-All Fund Types and Account Group	A	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	B	4
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual General Fund	C	5
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual - Special Revenue Fund	D	6
Notes to Financial Statements		7
Additional Information		21
<b>SUPPLEMENTAL INFORMATION</b>		
<u>Schedule</u>		
Combining Schedule of Program Revenues, Expenditures and Changes in Fund Balances General Fund	1	22
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds	2	23

CATAHOULA COUNCIL ON AGING, INC.  
SICILY ISLAND, LOUISIANA

FINANCIAL STATEMENTS AND AUDITORS' REPORTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 1998

TABLE OF CONTENTS (CONTINUED)

Schedule of Program Expenditures - Budget vs. Actual	3	25
Comparative Schedule of General Fixed Assets and Changes in General Fixed Assets	4	27
Other Report Required by Government Auditing Standards		28
Report on Compliance and on Internal Controls over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards		29
Schedule of Findings and Questioned Costs		31
Schedule of Prior Year Findings		32



**DAUZAT, BEALL & DEBEVEC, CPAs**

A PROFESSIONAL CORPORATION

**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Catahoula Council on Aging, Inc.  
Stelly Island, Louisiana

We have audited the accompanying general purpose financial statements of Catahoula Council on Aging, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 1998. These general purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to the financial audits contained in *Governance 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. 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Catahoula Council on Aging, Inc., as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Governance Auditing Standards*, we have also issued our report dated September 28, 1998, on our consideration of the Council's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, and contracts.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Carabalis Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



Certified Public Accountants

September 28, 1988

CATAWBA COUNCIL ON AGING, INC.  
Nolly Street, Lenoir

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP**  
June 30, 1998  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 1997**

	<u>Governmental Fund Types</u>		<u>Account Group</u> <u>General Fund</u> <u>Assets</u>	<u>Totals</u> <u>(Thousands, Digits)</u>	
	<u>General</u>	<u>Special</u> <u>Revenue</u>		<u>1998</u>	<u>1997</u>
<b>ASSETS</b>					
Cash	\$ 50,290			\$ 50,290	\$ 50,000
Accounts receivable Catawba Agency on Aging, Inc.		\$ 6,450		6,450	5,850
Due from Special Revenue Fund	5,220			5,220	7,310
Prepaid insurance	1,900			1,900	2,800
General Fund assets	-----	-----	\$ 30,000	30,000	32,320
Total Assets	<u>\$ 58,422</u>	<u>\$ 6,450</u>	<u>\$ 30,000</u>	<u>\$ 87,250</u>	<u>\$ 78,150</u>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>					
<b>LIABILITIES:</b>					
Accounts payable		\$ 980		\$ 980	\$ 2,710
Payroll taxes payable		240		240	
Due to General Fund	-----	5,220	-----	5,220	3,310
Total Liabilities	0	6,450	0	6,450	6,020
<b>FUND EQUITY AND OTHER CREDITS:</b>					
Investment in General Fund Assets			\$ 30,000	30,000	31,200
Fund balance Unreserved - Undesignated	\$ 58,422	-----	-----	58,422	71,870
Total Fund Equity and Other Credits	<u>58,422</u>	<u>0</u>	<u>30,000</u>	<u>71,500</u>	<u>78,150</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 58,422</u>	<u>\$ 6,450</u>	<u>\$ 30,000</u>	<u>\$ 87,250</u>	<u>\$ 78,150</u>

The accompanying notes are an integral part of this statement.

**CALABOKULA CORP. II, COMPANY, INC.**  
 (a fully owned subsidiary)

EXHIBIT B

**COMBINED STATEMENTS OF REVENUES, EXPENSES, PROFITS AND  
 CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
 For the Year Ended June 30, 1998  
 WITH SUPPLEMENTAL INFORMATION FOR THE YEAR ENDED JUNE 30, 1997**

	Original	Special Revenues	Year	
			(Measurement Period) 1998	1997
<b>Revenues</b>				
Intergovernmental				
Cuba Area Agency on Aging, Inc.		\$ 10,500	\$ 10,500	\$ 74,800
Office of Elderly Affairs	\$ 11,774		11,774	
Program income	5,100	15,873	15,873	5,800
Public support				905
Interest income	800		800	800
Unrealized income		11,000	11,000	
Total revenues	<u>18,674</u>	<u>37,373</u>	<u>49,877</u>	<u>82,305</u>
<b>Expenses</b>				
Contract				
Salaries		71,600	71,600	40,000
fringe		5,000	5,000	3,000
Travel		17,000	17,000	1,000
Operating supplies		14,000	14,000	14,000
Operating supplies		1,000	1,000	4,000
Miscellaneous		3,000	3,000	4,000
Capital outlay		800	800	
Interest expense		11,000	11,000	
Total expenditures		<u>118,400</u>	<u>118,400</u>	<u>76,000</u>
Reconciliation of revenues and expenditures	11,774	4,973	30,706	1,205
<b>Other financing sources and uses</b>				
Operating transfers in	15,000	14,700	15,000	40,000
Operating transfers out	<u>(11,774)</u>	<u>(10,727)</u>	<u>(10,500)</u>	<u>(40,000)</u>
Total other financing sources and uses	4,226	3,973	4,500	0
<b>Reconciliation of revenues and other financing sources and expenditures and other financing uses</b>				
	20,900	0	39,706	1,205
Fund balance, beginning	<u>11,875</u>	<u>0</u>	<u>17,000</u>	<u>36,000</u>
Fund balance, ending	<u>\$ 32,800</u>	<u>\$ 0</u>	<u>\$ 56,912</u>	<u>\$ 37,205</u>

The accompanying notes are an integral part of this statement.

**CATAMBLA COUNCIL ON AGING, INC.**  
 Slidell Island, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL  
 (GENERAL FUND)**

For the Year Ended June 30, 1998

	Budget	Actual	Variance (Favorable (Unfavorable))
<b>REVENUES</b>			
Investment	\$ 11,779	\$ 11,779	
Program Income		3,188	\$ 3,188
Interest Income	-----	-----	-----
Total revenues	<u>11,779</u>	<u>14,967</u>	<u>3,188</u>
<b>EXPENDITURES</b>			
Current:			
Salaries			
Fringe			
Travel			
Operating services			
Operating supplies			
Other costs			
Capital outlay	-----	-----	-----
Total expenditures	<u>-----</u>	<u>-----</u>	<u>-----</u>
Excess (deficiency) of revenues over expenditures	11,779	14,967	3,188
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in		16,550	16,550
Operating transfers and total other financing sources (uses)	<u>11,779</u>	<u>16,550</u>	<u>4,771</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	19,516	\$ (19,516)
<b>Fund balance, beginning</b>	<u>37,878</u>	<u>37,878</u>	
<b>Fund balance, ending</b>	<u>\$ 37,878</u>	<u>\$ 18,362</u>	

The accompanying notes are an integral part of this statement.



**CADWELL COUNCIL ON AGING, INC.**  
 Slidell, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - BUDGET (GRAP BASIS) AND ACTUAL  
 SPECIAL REVENUE FUND  
 For the Year Ended June 30, 1998**

	Budget	Actual	Variance- Favorable (Disadvantage)
<b>REVENUES</b>			
Intergovernmental	\$ 115,870	\$ 115,860	\$ -100
Program Income	12,970	12,970	-
Included income	-----	12,980	12,980
Total revenues	<u>131,810</u>	<u>141,810</u>	<u>10,000</u>
<b>EXPENDITURES</b>			
Current			
Salaries	70,000	71,600	1,600
Fringe	10,528	5,980	5,980
Taxes	21,577	17,887	4,170
Operating services	15,650	15,800	150
Operating supplies	4,500	2,870	1,630
Other costs	2,000	3,810	1,810
Capital outlay	-----	500	500
Included expenses	-----	12,600	12,600
Total expenditures	<u>134,655</u>	<u>148,247</u>	<u>13,592</u>
Excess (Deficiency) of revenues over expenditures	(2,845)	4,763	20,000
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	34,700	34,700	-
Operating transfers out	(20,000)	(20,000)	10,000
Total other financing sources (uses)	<u>14,700</u>	<u>14,700</u>	<u>10,000</u>
Excess (Deficiency) of revenues and other sources over expenditures and other uses	(8,145)	0	\$ -8,145
Fund balance, beginning	0	0	-
Fund balance, ending	<u>\$ (8,145)</u>	<u>\$ 0</u>	<u>\$ 8,145</u>

The accompanying notes are an integral part of this statement.

CATAHOULA COUNCIL ON AGING, INC.  
Stelly Island, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1998

**NOTE 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.**      **Reporting Entity:**

In 1964, the State of Louisiana passed Act 436 which authorized the cluster of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Catahoula Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs. The Council also receives revenues from other federal, state, and local government agencies which may impose certain restrictions on how the Council can use the money provided.

The Council is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the Council has prepared its financial statements as a separate special-purpose government.

The primary function of Catahoula Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly of the parish. Such services include providing a location for meals, nutritional education, information and referral services, these services, operating senior centers, and transportation. A Board of Directors, consisting of voluntary members who serve three-year terms, governs the Council.

**B.**      **Recognition of Statements:**

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

**CATAHOULA COUNCIL ON AGING, INC.**  
Natchitoches, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 1988

**B. Preparation of Statements: (continued)**

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have incorporated any applicable requirements set forth by *Audit of State and Local Governmental Units*, the industry audit guide issued by the American Institute of Certified Public Accountants; *Subsection VI - Annual Financial Reporting*, accounting manual for Governor's Office of Elderly Affairs component; and, the *Louisiana Governmental Audit Guide*.

**C. Fund Accounting:**

The accounts of the Council are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into two generic fund types and one broad fund category (account group).

**Governmental Fund Types**

Governmental funds are used to account for all or most of the Council's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of fixed assets, and the servicing of general long-term debt.

The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

CATAHOULA COUNCIL ON AGING, INC.  
Sixty Island, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1998

C. Fund Accounting: (Continued)

**General Fund**

The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the Council's General Fund:

**Other Local**

Revenues, such as, (1) donations from the general public, (2) income from various fund sources (3) program service revenue from renting Medic Alert units and providing Medicaid services, and (4) interest income earned on idle funds which have been invested, have been recorded in the "other local" program of the General fund. Expenses incurred which are not chargeable to specific programs are recorded as "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged to "other local" program expenditures. "Other local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, fixed asset additions are generally paid with "other local" funds.

**PCDA (Act 755)**

PCDA (Act 755) funds are appropriated for the Council by the Louisiana Legislature and remitted to the Council via the Governor's Office of Elderly Affairs (COEA). The council may use these "Act 755" funds at its discretion provided the program is benefiting people who are at least 60 years old.

**CATAHOULA COUNCIL ON AGING, INC.**  
Bibby Island, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 1998

C. Fund Accounting: (Continued)

**Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the Council's special revenue funds are provided by OASB. The Title III funds are provided by the United States Department of Health and Human Services - Administration on Aging, through the Governor's Office of Elderly Affairs to Geriatric Assessment Agency, Inc. who funds the Council on a predetermined unit cost reimbursement basis up to the contract amount.

The following funds are funds which comprise the Council's Special Revenue Funds:

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, access services, in-home services, community services and outreach for people age 60 and older.

Title III-C-1 Fund

The Title III-C-1 Fund is used to account for funds which are used to provide nutritional, congregative meals to the elderly in strategically located centers. During the fiscal year July 1, 1997 to June 30, 1998, the Council served about 8,945 congregative meals.

Title III-C-2 Home Delivered Meals Fund

Title III-C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 1997 to June 30, 1998, the Council served about 28,233 home delivered meals.

**CATBOULA COUNCIL ON AGING, INC.**  
Stelly Island, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 1988

C. **Fund Accounting: (Continued)**

**Special Revenue Fund (continued)**

**Title III-D Fund**

The Title III-D Fund is used to account for funds which are used to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims.

**Title III-E Fund**

The Title III-E Fund is used to account for funds used for disease prevention and health promotion activities or services, such as: (1) equipment and materials (scales to weigh people, educational materials, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health and (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are traditionally underserved and in which there are a large number of older individuals who have the greatest economic and social need."

**Senior Center Fund**

The Senior Center fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Conla Area Agency on Aging, Inc. who funds the Council on a predetermined unit cost reimbursement basis up to the contract amount. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates 2 senior centers in Catahoula Parish, Louisiana.

**CATAHOULA COUNCIL ON AGING, INC.**  
**Skilly Island, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**C. Fund Accounting: (Continued)**

**Special Revenue Fund (continued)**

**Supplemental Senior Center Fund**

The Supplemental Senior Center Fund is used to account for additional funds to be used to supplement the primary contract for the Senior Centers. These funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Catahoula Area Agency Aging, Inc., who funds the Council.

**Account Groups**

An account group is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account group is not a "Fund".

**General Fixed Assets**

The fixed assets (capital outlay) used in governmental fund type operations of Catahoula Council on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.

**D. Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expeditures and other uses) in net current assets.

CATALHOULA COUNCIL ON AGING, INC.  
Steffy Island, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1988

D. Basis of Accounting (Continued)

Governmental funds are maintained on the modified accrual basis of accounting, wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

E. Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

F. Budget Policy:

The Council follows these procedures in establishing the budgetary data reflected in these financial statements.

- The Catahoula Area Agency on Aging, Inc. notifies the Council each year as to the funding levels for each program's grant award.
- The Council may also obtain grants from agencies other than OAGA and the Council considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the funding levels provided by Catahoula Area Agency on Aging, Inc. and then submits the budget to the Board of Directors for approval before May 31 of the current year for the following year.
- The adopted budget is forwarded to the Catahoula Area Agency on Aging, Inc. for final approval.



CATAHOULA COUNCIL ON AGING, INC.  
Stolly Island, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1988

F. Budget Policy (continued)

- All budgetary appropriations lapse at the end of each fiscal year (June 30). Occasionally, the Council will receive a special project grant which may operate on a period different from the Council's normal fiscal year, and therefore, have a special fiscal date where the budgetary appropriations will lapse.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year on a management control policy.
- The Council may transfer funds between line items as often as required but must obtain prior approval from the Care Area Agency on Aging, Inc. for funds received under grants from GOMA.
- The Council is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some General Fund activities are not budgeted, particularly if they are deemed to be immaterial by management.

G. Total Columns of Combined Statements:

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**CATBOULE COUNCIL ON AGING, INC.**  
Slidell, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 1988

**II. Fixed Assets:**

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset account group, and are recorded on expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date of donation.

**1. Comparative Data:**

Comparative data for the prior year is presented in the accompanying financial statements to provide an understanding of changes in the Council's financial position and operations. However, presentation of comparative data by fund type is not presented in each of the statements since its inclusion would make the statements unduly complex and difficult to read.

**2. Restricted Assets:**

Restricted assets represent assets which are primarily acquired through donations whereby the donor places restrictions on how the donation can be used by the Council (i.e., utility assistance funds). Restricted assets are offset by reservations of fund balances.

**CATAHOULA COUNCIL ON AGING, INC.**  
Slidley Island, Louisiana

**NOTES TO FINANCIAL STATEMENTS**  
June 30, 1998

**NOTE 2 REVENUE RECOGNITIONS - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES**

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period that they become susceptible to accrual, that is, measurable and available (practical accrual basis). (Contracts do not allow the Council to recognize revenue until units of services are provided.)

Act 735 funds are received as monthly allocations of the total grant in advance of the actual expenditures.

**Public Support and Miscellaneous Revenues**

The Council encourages and receives contributions from clients to help offset the costs of the various programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior center activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenues in the period received.

**NOTE 3 IN-KIND CONTRIBUTIONS**

The Council received various in-kind contributions during the year. The Council's administrative office was provided by the town of Slidley Island and the main Senior Center was provided by the town of Jonesville. The Mulford Senior Recreation Center and the Slidley Island Meal site were provided by the Police Jury and the Harrisonburg Recreation site was furnished by the First Baptist Church. These contributions have been reported as revenues and the offsetting expenditures as costs in the financial statements.

**NOTE 4 INCOME TAX STATUS**

The Council, a non-profit corporation, is exempt from federal income taxes under Section 501(c)(2) of the Internal Revenue Code of 1986 and as an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is also exempt from Louisiana income tax.

**CATAHOULA COUNCIL ON AGING, INC.**  
*Not-For-Profit, Louisiana*

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**NOTE 3 CONTRACTS RECEIVABLE**

Contracts receivable at June 30, 1998, consisted of the following:

Program	Level	Funding Agency	Amount
Senior Center	Special Revenue	Circle AAA	\$ 1,046
Title III-B	Special Revenue	Circle AAA	2,731
Title III C-1	Special Revenue	Circle AAA	1,287
Title III C-2	Special Revenue	Circle AAA	31
Title III D	Special Revenue	Circle AAA	649
Title III F	Special Revenue	Circle AAA	175
Supplemental Service Center	Special Revenue	Circle AAA	<u>725</u>
	<b>Total</b>		<b><u>\$8,635</u></b>

**NOTE 4 CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance 6/30/97	Additions	Deletions	Balance 6/30/98
Vehicles	\$ 22,900			\$ 22,900
Furniture & equipment	6,780			6,780
Recreation equipment	<u>1,020</u>	<u>\$ 849</u>		<u>1,878</u>
<b>Total</b>	<b><u>\$ 30,700</u></b>	<b><u>\$ 849</u></b>	<b><u>\$ -0-</u></b>	<b><u>\$ 32,678</u></b>

**NOTE 5 COMPENSATED ABSENCES**

Annual leave is earned by employees and may be carried over into the next year at a rate of no more than one year's accumulation. No amounts have been recorded in the financial statements.

**CATAHOULA COUNCIL ON AGING, INC.**  
**Slidley Island, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**NOTE 8 CASH IN BANK**

The Council maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to cover any negative cash balances in other funds at year end. At June 30, 1998, the balance of the Council's consolidated bank account was \$43,854. The related bank balance (collected deposits) at that date was \$54,468. The Council also maintains two other bank accounts. At June 30, 1998, the balance of these accounts were \$2,706 and \$1,533. The related bank balances (collected deposits) at that date were \$2,706 and \$1,533. All of the deposits were covered by federal depository insurance. GASH Statement 3 categorized the credit risk of these deposits as Category 1 because they are fully insured.

**NOTE 9 JUDGMENTS, CLAIMS AND SIMILAR CONTINGENCIES**

There is no litigation pending against the Council at June 30, 1998. Furthermore, Council's management believes that any potential litigation would be adequately covered by insurance.

**NOTE 10 FEDERAL AWARD PROGRAMS**

The Council receives revenues from various federal and state grant programs which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

**CATBOULA COUNCIL ON AGING, INC.**  
**Stelly Island, Louisiana**

**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 1998**

**NOTE 11 ECONOMIC DEPENDENCY**

The Council receives the majority of its revenue from contracts with Care-A-Act Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of funds contracted by Care-A-Act Agency on Aging, Inc. could be reduced significantly and have an adverse impact on the Council's operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

**NOTE 12 RELATED PARTY**

There were no related party transactions during the fiscal year.

**NOTE 13 RISK MANAGEMENT**

The Council is exposed to various risks of loss related to thefts; drafts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

**NOTE 14 INTERFUND TRANSFERS**

Operating transfers in and out are listed by fund for 1998:

Fund Transferred to Fund, 1998	Fund Transferred to					Supplemental		General Fund	Total
	2	2.1	2.2	3	3	Fund Code	Fund Code		
Supplemental Services				1,796	21,000	144,000	4,168	1,796	146,064
Fund 2000's							1,000	1,000	1,000
General Fund	11,000	10,000	10,000		21,000	144,000	4,168	11,000	146,064
Total Out	\$11,000	\$10,000	\$10,000	\$1,796	\$21,000	\$144,000	\$4,168	\$11,796	\$146,064

CATAPOLA COUNCIL ON AGING, INC.  
Stilly Island, Louisiana

NOTES TO FINANCIAL STATEMENTS  
June 30, 1998

**NOTE 15    BOARD OF DIRECTORS COMPENSATION**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's regular personnel policy.

## ADDITIONAL INFORMATION



UNITED STATES DISTRICT COURT, SDNY  
 Southern District of New York

COMBINED SCHEDULE OF PROGRAM REVENUES, EXPENSES AND  
 CHANGES IN FUND BALANCES - GENERAL FUND  
 For the Year Ended June 30, 1998

	Other Fund	FY98 Sch. 1B	Total
<b>Revenues</b>			
Intergovernmental			
Office of Child Abuse Affairs		\$ 11,770	\$ 11,770
Regional Justice	\$ 2,140	—	2,140
Federal Income	—	—	—
Delinquency	—	—	—
	<u>2,140</u>	<u>11,770</u>	<u>13,910</u>
<b>Expenses</b>			
Current			
Salaries			
Fringe			
Operating services			
Operating supplies			
Other costs			
Capital outlay	—	—	—
Total expenditures	<u>—</u>	<u>—</u>	<u>—</u>
Excess (deficiency) of revenues and other expenditures	2,140	11,770	13,910
<b>Other financing sources (uses)</b>			
Operating transfers in	16,140	—	16,140
Operating transfers out	—	13,770	13,770
Total other financing sources (uses)	16,140	13,770	299
Excess (deficiency) of revenues and other financing sources and other uses	20,140	—	20,140
Fund balance, beginning	32,820	—	32,820
Fund balance, ending	<u>\$ 52,960</u>	<u>\$ —</u>	<u>\$ 52,960</u>

The accompanying notes are an integral part of this statement.



From (A) and (B) we see that the total return to the firm is the sum of the return to the firm and the return to the government.

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Operating income	20,000	22,000	24,000	26,000	28,000	30,000	32,000	34,000	36,000
Operating expenses	(10,000)	(11,000)	(12,000)	(13,000)	(14,000)	(15,000)	(16,000)	(17,000)	(18,000)
Total return to the firm	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000	18,000
Total return to the government	(10,000)	(11,000)	(12,000)	(13,000)	(14,000)	(15,000)	(16,000)	(17,000)	(18,000)
Total return to the economy	0	0	0	0	0	0	0	0	0

From (A) and (B) we see that the total return to the firm is the sum of the return to the firm and the return to the government.

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Operating income	20,000	22,000	24,000	26,000	28,000	30,000	32,000	34,000	36,000
Operating expenses	(10,000)	(11,000)	(12,000)	(13,000)	(14,000)	(15,000)	(16,000)	(17,000)	(18,000)
Total return to the firm	10,000	11,000	12,000	13,000	14,000	15,000	16,000	17,000	18,000
Total return to the government	(10,000)	(11,000)	(12,000)	(13,000)	(14,000)	(15,000)	(16,000)	(17,000)	(18,000)
Total return to the economy	0	0	0	0	0	0	0	0	0

**CATHERINE LAMBERT, INC. SUPERFUND, INC.**  
 Holly Island, Louisiana

**SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL**  
 For the Year Ended June 30, 1999

	BUDGET	ACTUAL	VARIANCE: FAVORABLE UNFAVORABLE
<b>PSMA - ACTUAL</b>			
Transfers:			
Title III-B	\$ 2,798	\$ 2,798	\$ -
Title III C-2	3,881	3,881	-
Totals	<u>\$ 6,679</u>	<u>\$ 6,679</u>	<u>\$ -</u>
<b>TITLE III-B SUPPORTIVE SERVICES</b>			
Salaries	\$ 48,478	\$ 57,855	\$ 9,377
Fringe	8,408	2,868	2,540
Travel	3,190	1,832	1,358
Operating services	5,471	18,240	(8,000)
Operating supplies	5,171	5,034	(600)
Other costs	950	900	100
Capital outlay		849	(849)
Int'l. expenses		12,000	(12,000)
Transfers to:			
General Fund		3,980	(3,980)
Totals	<u>\$ 68,668</u>	<u>\$ 78,313</u>	<u>\$ 9,645</u>
<b>TITLE III-C-1</b>			
Salaries	\$ 18,238	\$ 8,555	\$ 9,683
Fringe	3,360	658	2,702
Travel	354	178	176
Operating services	3,452	3,762	(310)
Operating supplies	807	3,112	(2,305)
Other costs	212	6,547	(6,335)
Transfers to:			
General Fund		4,438	(4,438)
Totals	<u>\$ 26,413</u>	<u>\$ 18,342</u>	<u>\$ 8,071</u>

CATAPILLA COUNCIL ON AGING, INC.  
Belly Island, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL  
For the Year Ended June 30, 1998

	BUDGET	ACTUAL	VARIANCE: FAVORABLE (UNFAVORABLE)
<b>TITLE III-C</b>			
Salaries	\$ 28,896	\$ 28,894	\$ 2,000
Fringe	5,731	1,808	1,787
Travel	18,893	18,477	2,415
Operating services	5,731	4,799	936
Operating supplies	500	831	(331)
Other costs	877	873	(4)
Transfers to:			
General Fund		8,041	18,741
Totals	<u>\$ 66,628</u>	<u>\$ 72,594</u>	<u>\$ 5,966</u>
<b>TITLE III-D</b>			
Transfers to:			
Title III-B	\$ 1,766	\$ 1,766	\$ —
Totals	<u>\$ 1,766</u>	<u>\$ 1,766</u>	<u>\$ —</u>
<b>TITLE III-E</b>			
Transfers to:			
Title III-B	\$ 2,066	\$ 2,066	\$ —
Totals	<u>\$ 2,066</u>	<u>\$ 2,066</u>	<u>\$ —</u>
<b>SENIOR CENTER</b>			
Transfers to:			
Title III-B	\$ 18,000	\$ 18,000	\$ —
Totals	<u>\$ 18,000</u>	<u>\$ 18,000</u>	<u>\$ —</u>
<b>SUPPLEMENTAL SENIOR CENTER</b>			
Transfers to:			
Title III-B	\$ 368	\$ 368	\$ —
Title III-C-1	323	323	—
Title III-C-2	2,809	2,809	—
Totals	<u>\$ 3,499</u>	<u>\$ 3,499</u>	<u>\$ —</u>

The accompanying notes are an integral part of this statement.

**CATAMBLEA CONSULTING ACQUIS, INC.**  
*Shilly Island, Louisiana*

**COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS  
 AND CHANGES IN GENERAL FIXED ASSETS  
 For the Year Ended June 30, 1998**

	Balance June 30, <u>1997</u>	Additions	Deletions	Balance June 30, <u>1998</u>
<b>GENERAL FIXED ASSETS, AT COST</b>				
Vehicles	\$ 22,580			\$ 22,580
Furniture	6,780			6,780
Recreation equipment	3,829	3,829	—	7,658
<b>Total General Fixed Assets</b>	<b><u>\$ 33,189</u></b>	<b><u>3,829</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 37,018</u></b>
<b>INVESTMENT IN GENERAL FIXED ASSETS</b>				
Troy B-B	\$ 2,168	3,849		\$ 6,017
Snyder Center	3,826			3,826
General	<u>31,295</u>	<u>—</u>	<u>—</u>	<u>31,295</u>
<b>Total Investment in General       Fixed Assets</b>	<b><u>\$ 37,289</u></b>	<b><u>3,849</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 41,138</u></b>

The accompanying notes are an integral part of this statement.

**OTHER REPORT REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**



## DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

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

Board of Directors  
Catahoula Council on Aging, Inc.

We have audited the general purpose financial statements of Catahoula Council on Aging, Inc. (a non-profit organization) as of and for the year ended June 30, 1998, and have issued our report thereon dated September 28, 1998. We conducted our audit in accordance with generally accepted auditing standards 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 the Council's financial statements are free of material misstatements, we 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 is not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under Government Auditing Standards.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our 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 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 over financial reporting and its operation that we consider to be material weaknesses.



This report is intended for the information of the Board of Directors, management, and federal awarding agencies, and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Robert E. Smith, CPA*

Certified Public Accountants

September 28, 1998

**CATAHOULA COUNCIL ON AGING, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 1998**

We have audited the financial statements of Catahoula Council on Aging, Inc. as of and for the year ended June 30, 1998, and have issued our report thereon dated September 28, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 1998 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

a. **Report on Internal Control and Compliance Material to the Financial Statements**

Internal control

Material Weaknesses  Yes  No      Reportable Conditions  Yes  No

Compliance

Non-Compliance Material to Financial Statements  Yes  No

**Section II Financial Statement Findings**

There were no Financial Statement Findings or questioned costs.

CATAHOULA COUNCIL ON AGING, INC.  
SCHEDULE OF PRIOR YEAR FINDINGS  
For the Year Ended June 30, 1998

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE  
FINANCIAL STATEMENTS**

*There were no Internal Control or Compliance findings.*