

Angela J. Parker, CPA

A Professional Accounting Corporation

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Louisiana Recovery Advisory, Inc.
151 Tannery Grove Place
Abita Springs, Louisiana

I have audited the financial statements of Louisiana Recovery Advisory, Inc. (51 Tannery Grove Place), a nonprofit organization, as of and for the year ended June 30, 1997, and have issued my report thereon dated September 26, 1997.

I have conducted my audit in accordance with generally accepted accounting standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I 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 Louisiana Recovery Advisory, Inc.'s (51 Tannery Grove Place) management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of Louisiana Recovery Advisory, Inc.'s (51 Tannery Grove Place) compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the financial statements 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 Government Auditing Standards.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record, and its distribution is not limited.



Certified Public Accountant

Monroeville, Louisiana
September 26, 1997

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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In planning and performing my audit of the financial statements of Louisiana Recovery Authority, Inc. (St. Tammany Courthouse Place) for the year ended June 30, 1997, I obtained an understanding of the internal control structure. With respect to the internal control structure, 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 in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. 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 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 errors 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the board of directors and management. However, this report is a matter of public record, and its distribution is not limited.


Stephen J. Parker
Certified Public Accountant

Monroeville, Louisiana
September 28, 1997

Angela J. Parker, CPA

A Professional Accounting Corporation

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Louisiana Recovery Advisory, Inc.
(51 Tannery Grove Place)
Abbeville Springs, Louisiana

I have audited the financial statements of Louisiana Recovery Advisory, Inc. (51 Tannery Grove Place), a nonprofit organization, as of and for the year ended June 30, 1997, and have issued my report thereon dated September 26, 1997.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of Louisiana Recovery Advisory, Inc. (51 Tannery Grove Place) 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 executed 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.

LOUISIANA RECOVERY AGENCY, INC.

(51 Tenthredon Cause Place)
NOTES TO FINANCIAL STATEMENTS
June 30, 1997 (Continued)

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Grants and bequests require fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of the funds to grantors. Although that is a possibility, the Board deems the contingency remote, since by accepting gifts and their terms, it has accommodated the objectives of the organization in the provisions of the gift.

NOTE 8 - SUBSEQUENT EVENTS

Louisiana Recovery Agency, Inc. (51 Tenthredon Cause Place) discontinued its operations during the month of July, 1997. Due to the decline in client occupancy and the increases in fixed costs management decided to cease operations after fulfillment of grant contracts for the fiscal year ended June 30, 1997.

LOUISIANA RECOVERY AGENCY, INC.
(94 Tenthredon Plaza)
NOTES TO FINANCIAL STATEMENTS
June 30, 1997 (Continued)

Income Taxes

The corporation is exempt from Federal income tax as a non-profit organization under Section 501 (c) 3 of the Internal Revenue Code. The laws of the State of Louisiana also exempt the corporation from income taxation.

NOTE 3 - ACCOUNTS RECEIVABLE

Included in accounts receivable state-grants is \$ 683 for June 30, 1997 due from the State of Louisiana, Department of Health and Hospitals for vouchers outstanding per the contract agreement.

NOTE 4 - TEMPORARILY RESTRICTED NET ASSETS

There are no temporarily restricted net assets as of June 30, 1997.

NOTE 5 - FUNCTIONAL ALLOCATION OF EXPENSES

The cost of providing the various programs, fund-raising and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and fund-raising activities benefited.

NOTE 6 - FAIR VALUES OF FINANCIAL INSTRUMENTS

Disclosure of fair value information about certain financial instruments, whether or not recognized in the balance sheet for which it is practicable to estimate that value, is required by Statement of Accounting Standards (SSAP) 101, Disclosure about Fair Value of Financial Instruments. The following methods and assumptions were used in estimating fair values:

Cash and cash equivalents: The carrying amount reported in the Statement of Financial Condition approximates fair value.

The carrying amounts and fair values of the Company's financial instruments at June 30, 1997 are as follows:

	Carrying Amounts	Fair Value
Cash and cash equivalents	\$ 14,309	\$ 14,309

LOUISIANA RECOVERY ADVISORY, INC.

(59 Tammany Green Place)

NOTES TO FINANCIAL STATEMENTS

June 30, 1997

NOTE 1 - ORGANIZATION

Louisiana Recovery Advisory, Inc. (59 Tammany Green Place) is a non-profit corporation organized under the laws of the State of Louisiana. No capital stock is authorized, issued or outstanding. The sole purpose of the corporation is to operate a medically assisted, social detoxification center for clients 18 years or older.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking accounts. Management believes the Company is not exposed to any significant credit risk in cash and cash equivalents.

Property and Equipment

Property and equipment are recorded at cost. The cost of repairs necessary to maintain wear and tear are expensed while significant expenditures for improvements which increase the value or useful life of the asset in relation to its original state are capitalized. Depreciation is computed using the 150% declining balance method.

The Company disposed of all property and equipment in June, 1997. All property and equipment was given to the State of Louisiana Department of Health and Hospitals and various non-profit organizations in the State of Louisiana. The automobile was sold for \$100 to an individual.

Donated Materials, Equipment, and Services

The value of donated materials are recorded as contributions by the Company at estimated fair value if there is an objective, measurable basis for determining fair value. No amounts have been reflected in the statements for donated services as no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers donated significant amounts of their time.

LOUISIANA RECOVERY ADVOCACY, INC.
(At Tammany-Grace Place)

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 1997

	Program Services	Management & General	Total
Compensation and related expenses:			
Compensation			
Executive Director	\$15,366	\$12,688	\$27,975
Office Manager	-	3,405	3,405
Primary Counselor	13,343	-	13,343
Secondary Counselor	14,307	-	14,307
Utility Security	17,501	-	17,501
Bonuses	7,380	16,078	23,359
Related benefits			
Payroll taxes	8,241	2,488	7,810
Advertising	-	568	568
Automobile	738	-	738
Audit	1,380	-	1,380
Accounting	1,750	1,750	3,500
Depreciation	2,775	857	3,432
Miscellaneous	-	507	507
Maintenance	1,418	305	1,348
Meetings and conventions	150	-	150
Postage	-	315	315
Office	-	318	318
Insurance	4,688	1,472	6,150
Utilities	9,625	1,070	10,695
Building lease	11,520	1,200	12,680
Fees & permits	1,107	-	1,107
Supplies			
Facility supplies	1,083	-	1,083
Client supplies	718	-	718
Food supplies	5,058	-	5,058
Training	264	-	264
Taxes	381	-	381
Bank charges	-	50	50
	\$170,118	\$41,800	\$155,017

LOUISIANA RECOVERY ADVOCACY, INC.
(88 Tammany Green Place)

STATEMENT OF CASH FLOWS

For the year ended June 30, 1997

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	(\$23,634)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	3,432
(Increase) decrease in operating assets	
Accounts receivable	3,669
Prepaid expenses	350
Deposits	219
Loss on disposition of assets	14,517
Increase (decrease) in operating liabilities	
Accounts payable	(54)
Payroll taxes payable	(57)
NET CASH PROVIDED BY OPERATING ACTIVITIES	13,419
CASH FLOWS FROM INVESTING ACTIVITIES	
Payments for property and equipment	(1,084)
NET CASH USED BY INVESTING ACTIVITIES	(1,084)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	12,335
BEGINNING CASH AND CASH EQUIVALENTS	79,245
NET CASH AND CASH EQUIVALENTS	\$14,300

LOUISIANA RECOVERY ADVOCACY, INC.
(St. Tammany Grace Place)

STATEMENT OF ACTIVITIES

For the year ended June 30, 1997

UNRESTRICTED NET ASSETS	
Revenue and support	
Grants and contracts	\$25,000
Contributions	20,260
Client fees	4,000
Net assets released from restrictions	119,400
TOTAL UNRESTRICTED REVENUE AND SUPPORT	148,660
EXPENSES:	
Program services	118,118
Supporting services:	
Management and general	41,689
TOTAL EXPENSES	158,017
Loss on disposition of assets	14,513
TOTAL EXPENSES AND LOSSES	172,530
(DECREASE) IN UNRESTRICTED NET ASSETS	(23,870)
TEMPORARILY RESTRICTED NET ASSETS	
State Grant	119,400
Net assets released from restrictions	(119,400)
(DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	0
(DECREASE) IN NET ASSETS	(23,870)
NET ASSETS AT BEGINNING OF YEAR	42,570
NET ASSETS AT ENDING OF YEAR	\$18,640

LOUISIANA RECOVERY ADVOCACY, INC.
(St. Tammany State Place)

STATEMENT OF FINANCIAL POSITION

JUNE 30, 1987

ASSETS

Current Assets:	
Cash and cash equivalents	\$14,200
Accounts receivable - State Grant	603
Accounts receivable - Other	100
Prepaid expenses	3,800
Total current assets	18,703
Fixed Assets, net of accumulated depreciation	0
Security deposits	1,275
TOTAL ASSETS	\$19,978

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts payable and accrued expenses	\$677
Payroll taxes payable	0
Total current liabilities	677
Net Assets:	
Unrestricted net assets:	19,300
Total unrestricted net assets/total net assets	19,300
TOTAL LIABILITIES AND NET ASSETS	\$19,977

Angela J. Parker, CPA

A Professional Accounting Corporation

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Louisiana Recovery Advisory, Inc.
(51 Tannery Grove Place)
White Springs, Louisiana

I have audited the accompanying statement of financial position of Louisiana Recovery Advisory, Inc. (51 Tannery Grove Place) as of June 30, 1997, and the related statements of activities, cash flows and functional expenses for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted the audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These 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 management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As discussed in Note B to the financial statements, Louisiana Recovery Advisory, Inc. (51 Tannery Grove Place) discontinued its operations during the month of July, 1997.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Louisiana Recovery Advisory, Inc. (51 Tannery Grove Place) as of June 30, 1997 and the changes in its net assets and cash flows for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated September 28, 1997 on my consideration of the Louisiana Recovery Advisory, Inc.'s (51 Tannery Grove Place) internal control structure and a report dated September 28, 1997 on its compliance with laws and regulations.



Angela J. Parker

Certified Public Accountant

Marksville, Louisiana
September 26, 1997

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FINANCIAL STATEMENTS AND AUDITOR'S REPORT

**LOUISIANA RECEIPTS AGENCY, INC.
(ST. TAMMANY GRAND PARISH)**

NEW ORLEANS, LOUISIANA

FEBRUARY 1981

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 District public inspection at the District House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **JAN 21 1981**
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