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SUNRISE HUMAN DEVELOPMENT AGENCY

Douglasville, Louisiana

FINANCIAL REPORT

June 30, 1968

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the qualified, or nonprofit, 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 SEP 02 1968



INDEPENDENT AUDITORS' REPORT

Board of Directors
Sunrise Human Development Agency
Donaldsonville, Louisiana

We have audited the accompanying statements of financial position of **SUNRISE HUMAN DEVELOPMENT AGENCY** (a non-profit corporation) as of June 30, 1998 and 1997, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States. These 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 audits provide 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 **SUNRISE HUMAN DEVELOPMENT AGENCY** as of June 30, 1998 and 1997, and the changes in its net assets and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued reports dated July 16, 1998, in our consideration of **SUNRISE HUMAN DEVELOPMENT AGENCY's** internal control structure and on its compliance with laws and regulations.

Faulk & Winkler, LLC
Certified Public Accountants

Baton Rouge, Louisiana
July 16, 1998

SUNRISE HUMAN DEVELOPMENT AGENCY
Bossierite, Louisiana

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June 30, 1998

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SUNRISE HUMAN DEVELOPMENT AGENCY

Donaldsonville, Louisiana

STATEMENTS OF FINANCIAL POSITION

June 30, 1998 and 1997

	ASSETS	
	<u>1998</u>	<u>1997</u>
CURRENT		
Cash	\$ 13,662	\$ 3,264
Accounts receivable	27,859	24,498
Prepaid expenses	<u>3,250</u>	<u>3,250</u>
Total assets	44,771	31,012
PROPERTY AND EQUIPMENT, net	<u>5,429</u>	<u>13,673</u>
Total assets	<u>\$ 47,600</u>	<u>\$ 44,685</u>
	LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 3,888	\$ 5,004
Notes payable	<u>15,260</u>	<u> </u>
Total current liabilities	21,088	5,004
NET ASSETS - UNRESTRICTED	<u>26,512</u>	<u>41,681</u>
Total liabilities and net assets	<u>\$ 47,600</u>	<u>\$ 46,685</u>

The accompanying notes to financial statements
are an integral part of this statement.

SUNRISE HUMAN DEVELOPMENT AGENCY
 Donaldsonville, Louisiana

STATEMENTS OF ACTIVITIES

For the years ended June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
REVENUE		
Grants		
Louisiana Office of Urban Affairs & Development	\$ -	\$ 15,800
Louisiana Office of Community Services	334,800	304,800
Other	22,540	24,614
Interest	298	400
Medicaid	8,064	3,277
Other	<u>310</u>	<u>-</u>
Total revenue	<u>345,312</u>	<u>347,296</u>
EXPENSES		
Direct services	205,779	220,271
General and administrative	<u>104,800</u>	<u>101,582</u>
Total expenses	<u>306,379</u>	<u>321,853</u>
Changes in net assets	(15,167)	25,433
NET ASSETS - UNRESTRICTED		
Beginning of year	<u>41,882</u>	<u>16,256</u>
End of year	<u>\$ 24,322</u>	<u>\$ 41,689</u>

The accompanying notes to financial statements
 are an integral part of this statement.

SUNRISE HUMAN DEVELOPMENT AGENCY

Doraville, Louisiana

STATEMENTS OF CASH FLOWS

For the years ended June 30, 1998 and 1997

	<u>1998</u>	<u>1997</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (15,167)	\$ 25,433
Adjustments to changes in net assets:		
Depreciation	8,235	9,471
Change in operating assets and liabilities:		
Accounts receivable	(3,771)	(21,798)
Prepaid expenses	-	(3,250)
Accounts payable and accrued expenses	<u>881</u>	<u>(1,328)</u>
Net cash provided (used) by operating activities	<u>20,432</u>	<u>8,608</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt issuance	63,700	25,000
Payments to retire debt	<u>(48,500)</u>	<u>(25,000)</u>
Net cash provided by financing activities	<u>15,200</u>	<u>-</u>
Net increase in cash	5,778	8,608
CASH/BANK OVERDRAFT		
Beginning of year	<u>7,284</u>	<u>(1,414)</u>
End of year	<u>\$ 13,062</u>	<u>\$ 7,284</u>

The accompanying notes to financial statements
are an integral part of this statement.

SUNRISE HUMAN DEVELOPMENT AGENCY
Denham Springs, Louisiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and operations

Sunrise Human Development Agency (SHDA) is a non-profit corporation whose purpose is to prepare and enhance the social and economic welfare of the general population of Ascension, St. James, St. John, Iberville and Assumption Parishes, State of Louisiana. SHDA promotes parenting skills and literacy, and educates the population on substance abuse.

Basis of presentation

The financial statements of SHDA have been prepared on the accrual basis. The significant accounting policies are described below to enhance the usefulness of the financial statements.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statements of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, SHDA is required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. SHDA does not have any temporarily restricted or permanently restricted net assets at June 30, 1998 and 1997.

The statement of activities presents the expenses of SHDA operations functionally between program services, and general and administrative.

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 and disclosures of contingent 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 those estimates. Estimates are used primarily when accounting for depreciation.

Cash

For purposes of the statement of cash flows, SHDA considers cash in bank accounts as cash. SHDA has no cash equivalents at June 30, 1998 and 1997.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Account receivable

Account receivable represents a grant from the Office of Community Services.

Furniture, equipment and depreciation

Furniture and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated service lives of the assets.

Income taxes

Senior Human Development Agency is a non-profit agency and is exempt from income taxes under Section 501(c)(2) of the Internal Revenue Code.

NOTE 2 - FURNITURE AND EQUIPMENT

Furniture and equipment, related services lives, and accumulated depreciation at June 30, 1998 and 1997 are as follows:

	Estimated Service Lives	1998	1997
Equipment	5 - 7 years	\$ 51,295	\$ 51,295
Furniture	7 years	16,377	16,377
Vehicles	3 years	30,482	30,482
		81,062	81,062
Less accumulated depreciation		(75,623)	(67,389)
		<u>\$ 5,439</u>	<u>\$ 13,673</u>

Depreciation expense was \$8,235 and \$9,471 for the years ended June 30, 1998 and 1997, respectively.

NOTE 3 - NOTE PAYABLE

SHDA has a \$30,000 revolving line of credit of which \$14,800 was unused at June 30, 1998. Bank advances on the credit line are payable on demand and carry an interest rate of 9.5%. The credit line is secured by SHDA's assets and expires on August 15, 1998.

NOTE 4 - ECONOMIC DEPENDENCY

Revenues from the State of Louisiana, for the years ended June 30, 1998 and 1997, are \$114,800 and \$219,065, respectively. Accordingly, SHDA is economically dependent on the State of Louisiana.

Special Independent Auditors' Reports
SUNRISE HUMAN DEVELOPMENT AGENCY
Donaldsonville, Louisiana

June 30, 1988



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
Sunrise Human Development Agency
Baton Rouge, Louisiana

We have audited the accompanying financial statements of SUNRISE HUMAN DEVELOPMENT AGENCY (SHDA) as of and for the year ended June 30, 1998, and have issued our report thereon dated July 16, 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 SHDA's financial statements are free of material misstatement, 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 was not an objective of our audit and, 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered SHDA's internal control over financial reporting 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 general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. 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 the Louisiana Legislative Auditor.

Faulk Winkler, LLP
Certified Public Accountants

Baton Rouge, Louisiana
July 16, 1998