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LIVE OAK MANOR VOLUNTEER FIRE CO., INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-14-99

Justin A. McCarthy
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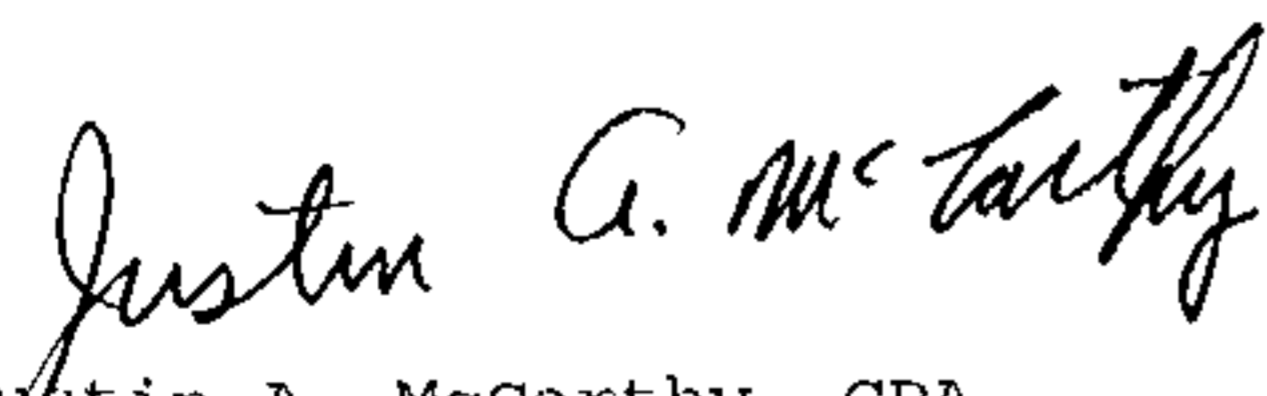
INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Live Oak Manor Volunteer Fire Company, Inc.

I have audited the accompanying general purpose financial statements of the Live Oak Manor Volunteer Fire Company, Inc. as of and for the year ending December 31, 1998 and the related statement of revenue, expenditures, and changes in fund balance for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Volunteer Fire Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

I conducted the audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion the general purpose financial statements referred to in the first paragraph, presents fairly in all material respects, the financial position of Live Oak Manor Volunteer Fire Company, Inc. as of December 31, 1998 and the results of its operations for the year then ending in conformity with generally accepted accounting principles.


Justin A. McCarthy, CPA
Avondale, Louisiana
May 25, 1999.

LIVE OAK MANOR VOLUNTEER FIRE CO., INC.
 COMBINED BALANCE SHEET - ALL TYPES AND ACCOUNTS GROUPS
 DECEMBER 31, 1998

		Governmental Fund Type		Account Group		Total Memorandum Only
		General Fund		General Fixed Assets	Long Term Debt	
ASSETS						
Cash and Cash Equivalent	\$	28,229	\$		\$	\$ 28,229
Land				2,700		2,700
Equipment				602,006		602,006
Amounts to be Provided for Retirement of Long Term Debt					138,051	138,051
TOTAL ASSETS	\$	28,229	\$	604,706	\$	770,986
LIABILITIES						
Liabilities						
Accounts Payable	\$	0	\$		\$	\$ 0
Long Term Debt					138,051	138,051
TOTAL LIABILITIES	\$	0	\$	0	\$	138,051
FUND BALANCES						
Investment in Fixed Asset	\$		\$ 604,706	\$ -		\$ 604,706
Fund Balance		28,229				28,229
	\$	28,229	\$	604,706	\$	632,935
TOTAL LIABILITIES AND FUND BALANCE		28,229	\$	604,706	\$	770,986

The accompanying notes are an integral part of this statement.

LIVE OAK MANOR VOLUNTEER FIRE CO., INC.
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 1998

REVENUES	
Jefferson Parish - Contract	\$ 360,000
Jefferson Parish - Monthly Subsidy	18,000
Jefferson Parish - Quarterly Subsidy	8,000
Jefferson Parish - Truck Subsidy	20,000
Jefferson Parish - Councilmen's Subsidy	34,357
State Insurance Rebate	7,695
Interest	611
Miscellaneous	6,111

Total Revenues	454,774

EXPENDITURES	
Employee Cost	335,916
Vehicular Cost	25,961
Building Cost	32,040
Firefighting Cost	8,890
Administrative cost	6,523
Miscellaneous	10,697
Debt Service	34,998
Capital Expenditures:	
Furniture & Fixtures	1,968
Firefighting Equipment	19,400

Total Expenditures	476,393

Excess Expenditures over Revenue	(21,619)

EXCESS EXPENDITURES OVER REVENUES AND OTHER FINANCING SOURCES	(21,619)

FUND BALANCE, BEGINNING OF YEAR	49,848

FUND BALANCE, END OF YEAR	\$ 28,229
	=====

The accompanying notes are an integral part of this statement.

LIVE OAK MANOR VOLUNTEER FIRE CO., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE 1. Summary of Significant Accounting Policies

A. Statement of Presentation

The accounting and reporting policies of the Live Oak Manor Volunteer Fire Co., Inc. conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting procedures also conform to the guides set forth in the Louisiana Municipal Audit and Accounting Guide and as prescribed by Statement 1, Governmental Accounting and Financial Reporting Principles, published by the National Council on Governmental Accounting.

The Live Oak Manor Volunteer Fire Co., Inc. was organized as a non-profit corporation to provide fire protection to a prescribed sector of the 7th Fire District, Parish of Jefferson.

B. Basis of Accounting

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.

C. Budgets and Budgetary Accounting

The Live Oak Manor Volunteer Fire Co., Inc. did prepare an informal budget for the years ending December 31, 1998 for internal use. A formal budget is not required by law therefore it is not presented in this report.

NOTE 2. Sources of Revenue

Live Oak Manor Volunteer Fire Co., Inc. is one of five contractual fire companies of the 7th Fire District, Parish of Jefferson. The 7th Fire District of the Parish of Jefferson levies an ad valorem tax on assessed property of the district. The sum of this collection is equally divided between the five contractual volunteer fire companies of the district on a monthly pro-rata basis. The 1998 monthly allocation to each fire company was \$30,000. In 1998 a service charge of \$2.00 was also levied on each household and business. This was collected by the Parish and allocated with the ad valorem taxes.

In addition the Parish of Jefferson provides a direct subsidy of \$750.00 per month per active station and a quarterly subsidy of \$1,000.00 per station, as of December 1998 Live Oak Manor Volunteer Fire Co. Inc. has two stations. This direct subsidy amounts to \$ 18,000.00 and \$ 8,000.00 for the year 1998.

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REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS
BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Directors of the
Live Oak Manor Volunteer Fire Company, Inc.

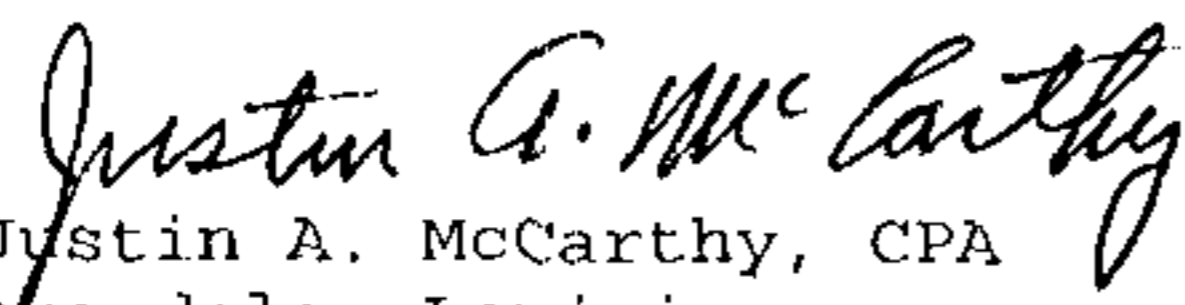
I have audited the general purpose financial statements of Live Oak Manor Volunteer Fire Company, Inc. as of and for the year ending December 31, 1998, and have issued my report thereon dated May 25, 1999.

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

Compliance with laws, regulations, and contracts applicable to the Fire Company is the responsibility of the Fire Company's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Fire Company's compliance with certain provisions of laws, regulations, and contracts. However, the objective of my audit of the general purpose 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 our tests indicate that, with respect to the items tested, the Fire Company complied in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the Fire Company had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Directors, management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Justin A. McCarthy, CPA
Avondale, Louisiana
May 25, 1999.

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REPORT ON THE INTERNAL CONTROL STRUCTURE RELATED MATTERS
NOTED IN A FINANCIAL AUDIT CONDUCTED IN
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

To the Board of Directors of the
Live Oak Manor Volunteer Fire Company, Inc.

I have audited the general purpose financial statements of Live Oak Manor Volunteer Fire Company, Inc. as of and for the year ending December 31, 1998, and have issued my report thereon dated May 25, 1999.

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

In planning and performing my audit of the general purpose financial statements of the Fire Company for the year ending December 31, 1998 I considered its internal control structure in order to determine my procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

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

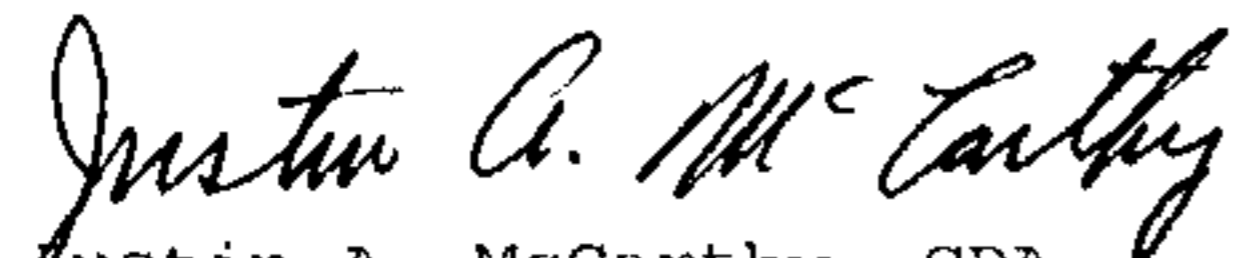
For the purposes of this report, we have classified the significant internal control structure policies and procedures in the following categories: cash receipts and cash disbursements.

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

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the 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. My comments and recommendations about other financial matters which might come to my attention during the audit will be presented on a separate report to management.

This report is intended for the information of the Board of Directors, management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.


Justin A. McCarthy, CPA
Avondale, Louisiana
May 25, 1999.