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ST. TAMMANY CHILDREN'S
ADVOCACY CENTER

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

December 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 10.9.04

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Smith, Huval & Associates, L.L.C.

(A LIMITED LIABILITY COMPANY)

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
St. Tammany Children's Advocacy Center
Covington, Louisiana

We have audited the accompanying statement of financial position of St. Tammany Children's Advocacy Center (the Center) (a non-profit organization) as of December 31, 2003 and the related statements of activities and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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. 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 St. Tammany Children's Advocacy Center as of December 31, 2003, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 10, 2004, on our consideration of St. Tammany Children's Advocacy Center's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

An audit was performed for the purpose of forming an opinion on the financial statements of St. Tammany Children's Advocacy Center. The accompanying supplemental information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied to the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

March 10, 2004

Smith, Huval & Associates, L.L.C.

ST. TAMMANY CHILDREN'S ADVOCACY CENTER

STATEMENT OF FINANCIAL POSITION

December 31, 2003

ASSETS

Current Assets	
Cash in bank	\$ 64,582
Grants receivable	27,520
Other receivables	500
Prepaid insurance	<u>2,512</u>
Total current assets	95,114
Land, Building, Furniture and Equipment	
Land	20,232
Building	131,708
Furniture and equipment	<u>41,792</u>
	193,732
Less accumulated depreciation	<u>(45,637)</u>
Total land, building, furniture and equipment	<u>148,095</u>
TOTAL ASSETS	<u>\$ 243,209</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts payable	\$ <u>1,893</u>
Total current liabilities	<u>1,893</u>
Net Assets	
Unrestricted	<u>241,316</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 243,209</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY CHILDREN'S ADVOCACY CENTER
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended December 31, 2003

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue			
Grants	\$ 72,410	\$	\$ 72,410
Public funds	67,137		67,137
Fundraiser	54,574		54,574
Donations	41,209		41,209
Investment income	<u>197</u>		<u>197</u>
 Total support and revenue	 235,527	 -	 235,527
 Expenses			
Salaries	136,695		136,695
Insurance	17,457		17,457
Payroll taxes	10,954		10,954
Depreciation	7,041		7,041
Other	4,733		4,733
Telephone	4,459		4,459
Postage	3,380		3,380
Accounting	3,335		3,335
Utilities	3,143		3,143
Automobile	2,337		2,337
Maintenance	2,326		2,326
Training	2,207		2,207
Fundraising	2,105		2,105
Printing	1,909		1,909
Contract labor	1,453		1,453
Advertising and promotional expenses	1,165		1,165
Dues and subscriptions	890		890
Office expenses	616		616
Children's needs	359		359
Bank charges	<u>148</u>		<u>148</u>
 Total expenses	 <u>206,712</u>	 <u>-</u>	 <u>206,712</u>
 Change in net assets before expiration of restrictions	 28,815	 -	 28,815

The accompanying notes are an integral part of this statement.

ST. TAMMANY CHILDREN'S ADVOCACY CENTER

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

For the Year Ended December 31, 2003

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Change in net assets before expiration of restrictions	\$ 28,815	\$ -	\$ 28,815
Expiration of restrictions	<u>33,629</u>	<u>(33,629)</u>	<u>-</u>
Change in net assets	62,444	(33,629)	28,815
Net assets at beginning of year	<u>178,872</u>	<u>33,629</u>	<u>212,501</u>
Net assets at end of year	<u>\$ 241,316</u>	<u>\$ -</u>	<u>\$ 241,316</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY CHILDREN'S ADVOCACY CENTER

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2003

Cash Flows From Operating Activities	
Increase in net assets	\$ 28,815
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation	7,041
Increase in receivables	(24,289)
Increase in prepaid expenses	(2,512)
Increase in accounts payable	1,893
Decrease in accrued expenses	<u>(3,200)</u>
Total adjustments	<u>(21,067)</u>
Net cash provided by operating activities	7,748
Cash Flows From Investing Activities	
Purchase of fixed assets	<u>(3,119)</u>
Net cash used for investing activities	<u>(3,119)</u>
Net increase in cash and cash equivalents	4,629
Cash and cash equivalents at beginning of year	<u>59,953</u>
Cash and cash equivalents at end of year	<u>\$ 64,582</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY CHILDREN'S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Activities

St. Tammany Children's Advocacy Center (the Center) was chartered May 31, 1994, and is a nonprofit organization dedicated to providing a child-oriented, multidisciplinary forensic interview environment facility for abused children.

2. Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Center reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when 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 activity as net assets released from restrictions.

The Center reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting.

3. Donated Services, Goods, and Facilities

At times, volunteers have donated their time to the Center during the year, however, these donated services are not reflected in the financial statements since the services do not require specialized skill. Donated professional services are reflected in the statement of activities at their fair value.

Materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their fair values at the date of receipt.

4. Cash and Cash Equivalents

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

ST. TAMMANY CHILDREN'S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

December 31, 2003

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Land, Building, Furniture and Equipment

Furniture and equipment are recorded at cost when purchased and at fair market value when received as a donation. Expenditures for maintenance, repairs, and minor renewals are charges against earnings as incurred. Depreciation is computed using the straight-line method over the useful lives of the assets. The lives range from 3 to 7 years for furniture and equipment and 39 years for the building.

6. Advertising Costs

Advertising costs are expensed as incurred.

7. Incurred Taxes

The Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income tax under Section 121 (5) of Title 47 of the Louisiana Revised Statutes of 1950.

8. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 those estimates.

NOTE B - GRANTS RECEIVABLE

Grants receivable include Louisiana Office of Child Support of \$27,520 at December 31, 2003.

NOTE C - CREDIT RISK CONCENTRATION AND MAJOR FUNDING SOURCES

The Center receives grants and contracts for services from the public, which comprises the majority of its revenue.

ST. TAMMANY CHILDREN'S ADVOCACY CENTER

NOTES TO FINANCIAL STATEMENTS

December 31, 2003

NOTE D - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are restricted by donors for specific purposes or designated for subsequent periods. During the year, all restrictions were removed thereby making the funds available for use.

SUPPLEMENTAL INFORMATION

ST. TAMMANY CHILDREN'S ADVOCACY CENTER

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2003

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Expenses				
Salaries	\$ 86,606	\$ 22,256	\$ 27,833	\$ 136,695
Insurance	8,772	8,685		17,457
Payroll taxes	6,219	2,505	2,230	10,954
Depreciation	7,041			7,041
Other	4,733			4,733
Telephone	4,013	446		4,459
Postage	3,042	338		3,380
Accounting		3,335		3,335
Utilities	3,143			3,143
Automobile	2,337			2,337
Maintenance	2,326			2,326
Training	2,207			2,207
Fundraising			2,105	2,105
Printing			1,909	1,909
Contract labor	1,453			1,453
Advertising and promotional expenses			1,165	1,165
Dues and subscriptions	890			890
Office expenses	555	61		616
Children's needs	359			359
Bank charges	148			148
	<u>148</u>	<u> </u>	<u> </u>	<u>148</u>
Total expenses	<u>\$ 133,844</u>	<u>\$ 37,626</u>	<u>\$ 35,242</u>	<u>\$ 206,712</u>

ST. TAMMANY CHILDREN'S ADVOCACY CENTER

SCHEDULE OF GOVERNING BOARD

December 31, 2003

	<u>Compensation</u>		<u>Compensation</u>
Ysonde Boland 701 N. Columbia Street Covington, LA 70433 985-867-8228	-0-	Lorraine Lynch P. O. Box 1120 Covington, LA 70434 985-875-2105	-0-
Robert (Bob) Burris 1012 Pearl Street Franklinton, LA 70438 985-624-3679	-0-	Sherry Magee 2032 Long Leaf Street Franklinton, LA 70438 985-839-6488	-0-
Lt. Rob Callahan 2112 Sgt. Alfred Drive Slidell, LA 70458 985-646-4336	-0-	Allyson Murphy 72360 Wise Road Covington, LA 70433 985-875-7212	-0-
Robert Couvillon 351 Holiday Boulevard Covington, LA 70433 985-893-2438	-0-	Lisette Norman P. O. Box 458 Slidell, LA 70459 985-726-9009	-0-
Shirley Deluzain 1144 N. Causeway Boulevard Mandeville, LA 70471 958-626-4557	-0-	Sue Osbon P. O. Box 297 Covington, LA 70434 985-892-3700	-0-
Lisa Flood 411 Avenue Palais Royal Covington, LA 70433 985-898-4992	-0-	Willie Parette 26406 Highway 25 Covington, LA 70435 985-867-9035	-0-
Jimmy Hingle P. O. Box 1580 Mandeville, LA 70470 985-624-5628	-0-	Bill Richard P. O. Box 60279 New Orleans, LA 70160 504-623-8300	-0-
Curt Keay P. O. Box 998 Covington, LA 70434 985-898-1550	-0-	Lt. Grant Ross 208 Chenel Street Folsom, LA 70437 985-875-2180	-0-

ST. TAMMANY CHILDREN'S ADVOCACY CENTER
SCHEDULE OF GOVERNING BOARD (CONTINUED)

December 31, 2003

	<u>Compensation</u>		<u>Compensation</u>
Chris Keller 5100 Village Walk, Suite 102 Covington, LA 70433 985-801-0109	-0-	William (Bill) P. Smith, Jr. 2160 East Gause Boulevard Suite 101 Slidell, LA 70461-4227 985-641-8833	-0-

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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
St. Tammany Children's Advocacy Center

We have audited the financial statements of St. Tammany Children's Advocacy Center (the Center)(a non-profit organization) as of and for the year ended December 31, 2003, and have issued our report thereon dated March 10, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 St. Tammany Children's Advocacy Center'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 St. Tammany Children's Advocacy Center'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.

Board of Directors
St. Tammany Children's Advocacy Center

This report is intended solely for the information and use of the audit committee, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

March 10, 2004

Smith, Hural & Associates, L.L.C.