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ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 1996 AND 1995

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ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 1996 AND 1995

	<u>1996</u>	<u>1995</u>
<u>UNRESTRICTED NET ASSETS</u>		
<u>REVENUES AND OTHER SUPPORT</u>		
State grant	\$225,000	\$217,500
Contribution of equipment	2,400	
Interest income	2,984	1,019
Miscellaneous		269
<u>Total unrestricted support</u>	<u>230,384</u>	<u>218,788</u>
<u>EXPENSES</u>		
<u>Administrative</u>		
Personnel - salaries	33,920	14,790
Personnel - fringe benefits	3,669	1,577
Telephone and postage	1,043	747
Rent, utilities, and janitorial service	7,608	7,608
Audit	4,000	4,300
Insurance	12,582	14,127
Consulting services	1,000	4,800
Office supplies	3,092	1,311
Depreciation	918	572
Other	31	3
<u>Total administrative</u>	<u>67,863</u>	<u>49,835</u>
<u>Direct Services</u>		
PFCE Program (Parents, Family and Children Education)		
Personnel - salaries	7,000	
Personnel - fringe benefits	1,333	
Homemakers' Program		
Personnel - salaries	79,539	93,831
Personnel - fringe benefits	8,982	9,864
Travel	6,978	6,995
Contract labor	60	275
Tutorial services	14,163	12,678
Temp subgrant		5,260
Referral center subgrant	9,000	3,500
Black History Museum subgrant		1,000
Opelousas Junior Police Program subgrant	3,657	
VISTA subgrant	3,000	1,500
SPICED subgrant	8,500	11,300
<u>Total direct services</u>	<u>142,212</u>	<u>146,203</u>
<u>Nonprogram Costs</u>		
	<u>5</u>	<u>5</u>
<u>Total expenses</u>	<u>210,080</u>	<u>196,043</u>

Continued on next page.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 1996 AND 1995

	<u>1996</u>	<u>1995</u>
<u>ASSETS</u>		
Cash in non-interest-bearing account	\$28,285	
Cash in interest-bearing accounts	10,938	\$30,954
Due from insurance company		568
Prepaid insurance	3,219	4,276
Office furniture and equipment, net	<u>7,994</u>	<u>2,364</u>
<u>Total assets</u>	<u>50,436</u>	<u>38,162</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Bank overdrafts		\$946
Accounts payable	\$5,123	5,905
Payroll taxes withheld	426	1,832
Accrued payroll taxes	<u>1,404</u>	<u>1,300</u>
<u>Total liabilities</u>	<u>6,953</u>	<u>9,983</u>
 <u>NET ASSETS</u>		
Unrestricted	43,483	23,179
Temporarily restricted for Mid-South contribution		<u>5,000</u>
<u>Total net assets</u>	<u>43,483</u>	<u>28,179</u>
<u>Total liabilities and net assets</u>	<u>50,436</u>	<u>38,162</u>

The accompanying notes are an integral part of these financial statements.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 1996 AND 1995

	<u>1996</u>	<u>1995</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from state grant	\$225,000	\$217,500
Cash paid for salaries and fringes	(135,805)	(118,029)
Cash paid for subcontracts	(24,157)	(22,560)
Cash paid to suppliers	(49,659)	(59,084)
Interest earned	<u>2,984</u>	<u>1,019</u>
<u>Net cash provided by operating activities</u>	<u>18,363</u>	<u>18,846</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of equipment	<u>(4,148)</u>	<u>(533)</u>
<u>Net cash (used) by investing activities</u>	<u>(4,148)</u>	<u>(533)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Proceeds from grant restricted for child and youth motivation		5,000
Payment of salaries in compliance with grant	<u>(5,000)</u>	—
<u>Net cash provided (used) by financing activities</u>	<u>(5,000)</u>	<u>5,000</u>
<u>NET INCREASE IN CASH</u>	9,215	23,313
<u>CASH, beginning of year</u>	<u>30,008</u>	<u>6,695</u>
<u>CASH, end of year</u>	<u>39,223</u>	<u>30,008</u>
<u>RECONCILIATION OF INCREASE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
Increase in net assets	\$15,304	\$27,745
Adjustments to reconcile:		
Depreciation	918	572
Contribution of equipment	(2,400)	
(Increase) decrease in due from insurance company	568	(568)
(Increase) decrease in prepaid insurance	1,057	(2,177)
Increase (decrease) in accounts payable	(782)	(4,034)
Increase (decrease) in payroll taxes withheld	(1,406)	1,497
Increase (decrease) in accrued payroll taxes	104	811
Grant restricted for child and youth motivation		(5,000)
Salaries paid with grant funds	<u>5,000</u>	—
<u>Net cash provided by operating activities</u>	<u>18,363</u>	<u>18,846</u>
<u>SUPPLEMENTAL DATA FOR NONCASH ACTIVITIES</u>		
Donation of copy machine	<u>\$2,400</u>	<u>-0-</u>

The accompanying notes are an integral part of these statements.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996 AND 1995

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF ACTIVITIES

St. Landry Community Services, Inc. is a nonprofit corporation currently sponsoring the Homemakers' Program which began on December 1, 1992. The Program's primary purpose is to improve the quality of life for the elderly and handicapped. Specific services rendered to clients include, but are not limited to, routine house cleaning, preparing meals, running errands, etc. St. Landry Community Services, Inc. also sponsors after school church-based tutorial programs and supports worthwhile eligible community programs. Support for St. Landry Community Services, Inc. comes primarily from the Governor's Office of Urban Affairs and Development of the State of Louisiana.

B. BASIS OF ACCOUNTING

The financial statements of St. Landry Community Services, Inc., have been prepared on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Purchases of operating supplies are regarded as expenditures at the time purchased and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year, unless material.

C. PROPERTY AND EQUIPMENT

Fixed assets are recorded at cost. Donated assets are recorded at fair market value. Such donated assets are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is computed using the straight-line method based on the estimated useful life of each asset. Average lives for office furniture and equipment are estimated to be 5-7 years. Maintenance and repairs are charged to operations when incurred.

D. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996 AND 1995

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. INCOME TAXES

St. Landry Community Services, Inc. is a nonprofit organization exempt from income taxes under the Internal Revenue Code Section 501(c)(4) and similar provisions of the State Code. Therefore, no provision for income taxes has been made.

F. BUDGET ACCOUNTING

St. Landry Community Services, Inc., prepares a budget on the cash basis which is approved by the funding agency.

G. STATEMENT OF CASH FLOWS

For purposes of reporting the statement of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents.

H. COMPENSATED ABSENCES

All employees of St. Landry Community Services, Inc., earn vacation, family leave and sick leave. There is a written policy on the number of days earned per year. Unused vacation, family leave and sick leave days are forfeited upon termination. The amount of unused vacation, family and sick leave is not material and has not been accrued in these financial statements.

I. FINANCIAL STATEMENT PRESENTATION

In the fiscal year ended June 30, 1996, St. Landry Community Services, Inc. elected to adopt Statement of Financial Accounting Standards (SFAS) No. 117 "Financial Statements of Not-for-Profit Organizations," early. Under SFAS No. 117, St. Landry Community Services, Inc. is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, St. Landry Community Services, Inc. is required to present a statement of cash flows. As permitted by this new statement, St. Landry Community Services, Inc. has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect on the change in net assets for the fiscal years ended June 30, 1996 or 1995.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996 AND 1995

NOTE (5) - NONPROGRAM COSTS

The nonprogram costs at June 30, 1996 and 1995 consist of the following:

	<u>1996</u>	<u>1995</u>
Filing fees	\$ <u>5</u>	\$ <u>5</u>
	<u>5</u>	<u>5</u>

NOTE (6) - TEMPORARILY RESTRICTED NET ASSETS

During the fiscal year ended June 30, 1995, the St. Landry Community Services, Inc. received a grant of \$5,000 to support the development of a model program which would empower parents and other adults to encourage and motivate children and youth. The grant money was expended in the fiscal year ended June 30, 1996.

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JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 (1904-1984)

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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
 St. Landry Community Services, Inc.
 Opelousas, Louisiana

We have audited the financial statements of St. Landry Community Services, Inc., as of and for the year ended June 30, 1996, and have issued our report thereon dated November 7, 1996.

We conducted our audit in accordance with generally accepted auditing standards and 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.

The management of St. Landry Community Services, Inc., 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.

In planning and performing our audit of the financial statements of the St. Landry Community Services, Inc. for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

To the Board of Directors
St. Landry Community Services, Inc.
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Our 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of management and the Governor's Office of Urban Affairs and Development of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

John S. Dowling & Company

Opelousas, Louisiana
November 7, 1996

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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
 St. Landry Community Services, Inc.
 Opelousas, Louisiana

We have audited the financial statements of St. Landry Community Services, Inc., as of and for the year ended June 30, 1996, and have issued our report thereon dated November 7, 1996.

We conducted our audit in accordance with generally accepted auditing standards and 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.

Compliance with laws, regulations, contracts, and grants applicable to St. Landry Community Services, Inc., is the responsibility of St. Landry Community Services, Inc.'s management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of St. Landry Community Services, Inc.'s compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. 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.

This report is intended for the information of management and the Governor's Office of Urban Affairs and Development of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

John S. Dowling & Company
 Opelousas, Louisiana
 November 7, 1996

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
 St. Landry Community Services, Inc.
 Opelousas, Louisiana

We have audited the accompanying statements of financial position of St. Landry Community Services, Inc., a nonprofit corporation, as of June 30, 1996 and 1995, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of St. Landry Community Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with generally accepted auditing standards and 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 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 St. Landry Community Services, Inc., as of June 30, 1996 and 1995, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 1996, St. Landry Community Services, Inc. changed its method of accounting for contributions and its method of financial reporting and financial statement presentation.

In accordance with Government Auditing Standards, we have also issued a report dated November 7, 1996 on our consideration of the St. Landry Community Services, Inc.'s internal control structure and a report dated November 7, 1996 on its compliance with laws and regulations.

John S. Dowling & Company
 Opelousas, Louisiana
 November 7, 1996

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF ACTIVITIES (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 1996 AND 1995

	<u>1996</u>	<u>1995</u>
<u>INCREASE IN UNRESTRICTED NET ASSETS</u>	<u>\$20,304</u>	<u>\$22,745</u>
<u>TEMPORARILY RESTRICTED NET ASSETS</u>		
Foundation for the Mid-South grant		5,000
Restriction satisfied by payment		
Parents, Family and Children Education Program		
Personnel - salaries	<u>(5,000)</u>	<u> </u>
<u>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</u>	<u>(5,000)</u>	<u>5,000</u>
<u>INCREASE IN NET ASSETS</u>	15,304	27,745
<u>NET ASSETS</u> , beginning of year	<u>28,179</u>	<u>434</u>
<u>NET ASSETS</u> , end of year	<u>43,483</u>	<u>28,179</u>

The accompanying notes are an integral part of these financial statements.