

**SENIOR CITIZENS
OUTREACH ENTITY, INC.
(A NONPROFIT ORGANIZATION)**

**Financial Statements
For the Year Ended
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.

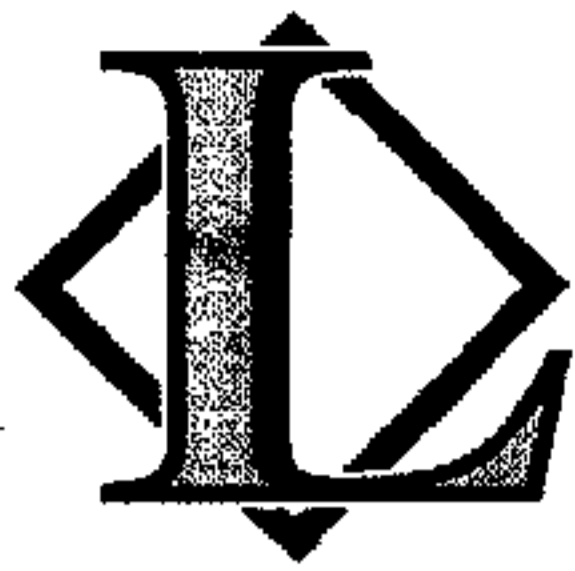
Release Date 8-4-04

SENIOR CITIZENS OUTREACH ENTITY, INC.
(A NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS
December 31, 2003

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LITTLE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Senior Citizens Outreach Entity, Inc.
Richwood, Louisiana

We have audited the accompanying statement of financial position of Senior Citizens Outreach Entity, Inc. (a Nonprofit Organization) as of December 31, 2003, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. 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 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 Senior Citizens Outreach Entity, Inc. as of December 31, 2003, and the results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2004, on our consideration of Senior Citizens Outreach Entity, Inc.'s internal control over financial reporting and our tests 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.

The Board of Directors
Senior Citizens Outreach Entity, Inc.
Page 2

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Senior Citizens Outreach Entity, Inc. taken as a whole. The accompanying supplementary information included on pages 13-14 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as whole. The other required information on page 15, which is of a nonaccounting nature, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and we express no opinion on such information.

Little & Associates

Monroe, Louisiana
June 8, 2004

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2003

Assets	
Cash	\$ 31,299
Account Receivable	44,518
Property and Equipment:	
Furniture and Equipment	18,257
Leasehold Improvements	<u>51,420</u>
Total	69,677
Less Accumulated Depreciation	<u>(62,656)</u>
Net Property and Equipment	<u>7,021</u>
Total Assets	\$ <u><u>82,838</u></u>
Liabilities	
Accounts Payable	\$ <u>2,607</u>
Total Liabilities	2,607
Net Assets	
Unrestricted	<u>80,231</u>
Total Liabilities and Net Assets	\$ <u><u>82,838</u></u>

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

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Support and Revenue			
Contracts:			
State of Louisiana Governor's Office of Elderly Affairs	\$ 113,976	\$ -	\$ 113,976
Grants:			
Hampco, Inc.	29,000	-	29,000
Donated Use of Facility	36,000	-	36,000
Contributions	1,546	-	1,546
Other Income	2,576	-	2,576
Interest Income	267	-	267
Total Support and Revenue	<u>183,365</u>	<u>-</u>	<u>183,365</u>
Expenses			
Programs	106,383	-	106,383
Supporting Services:			
Management and General	56,538	-	56,538
Total Expenses	<u>162,921</u>	<u>-</u>	<u>162,921</u>
Change in Net Assets	20,444	-	20,444
Net Assets at Beginning of Year	59,787	-	59,787
Net Assets at End of Year	<u>\$ 80,231</u>	<u>\$ -</u>	<u>\$ 80,231</u>

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

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Program Services</u>	<u>Supporting Services Management and General</u>	<u>Total</u>
Alarm System	\$ -	\$ 359	\$ 359
Advertising	-	289	289
Bank Charges	-	257	257
Contract Services	7,587	13,489	21,076
Depreciation	-	1,018	1,018
Donated Use of Facility	32,400	3,600	36,000
Dues	-	95	95
Insurance	-	619	619
Meals	28,492	104	28,596
Office Expense	-	936	936
Office Supplies	-	1,238	1,238
Other Expenses	-	1,642	1,642
Payroll	24,439	14,353	38,792
Professional Fees	-	5,000	5,000
Other Program Expenses	845	-	845
Repairs and Maintenance	-	3,282	3,282
Supplies	1,788	1,371	3,159
Subscriptions	136	-	136
Taxes - Payroll	1,854	1,088	2,942
Telephone	-	3,049	3,049
Transportation	8,289	-	8,289
Travel	-	434	434
Utilities-Water, Gas, Electric, Cable	553	4,315	4,868
	<u>\$ 106,383</u>	<u>\$ 56,538</u>	<u>\$ 162,921</u>

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

SENIOR CITIZENS OUTREACH ENTITY, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2003

Operating Activities

Change in Net Assets	\$	20,444
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		1,018
(Increase) Decrease in Account Receivable		(19,519)
Increase (Decrease) in Accounts Payable		230
Net Cash Provided By Operating Activities		<u>2,173</u>

Investing Activities

Purchase of Property and Equipment		<u>(896)</u>
Net Cash Used By Investing Activities		<u>(896)</u>

Net Increase in Cash and Cash Equivalents		1,277
Cash and Cash Equivalents at Beginning of Year		<u>30,022</u>
Cash and Cash Equivalents at End of Year	\$	<u><u>31,299</u></u>

Disclosure of Accounting Policy

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

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

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Senior Citizens Outreach Entity, Inc. (the Organization) is a not-for-profit organization established to enhance the quality of life for senior citizens as it relates to education, health care, economic development and recreational activities. The Organization, which was founded in 1997, provides services to senior citizens residing primarily in the Richwood, Louisiana area and operates under a contract with the Ouachita Council on Aging.

BASIS OF ACCOUNTING

The financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with U.S. generally accepted accounting principles.

FINANCIAL STATEMENT PRESENTATION

In accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements for Not-for-Profit Organizations*, the Organization 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. These three classes of net assets are described as follows:

Unrestricted Net Assets – consists of assets, public support, and program revenues which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Temporarily Restricted Net Assets – includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the organization.

Permanently Restricted Assets – includes resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the organization to expend all or part of the income derived from the donated assets.

PERVASIVENESS OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

CONTRIBUTIONS

The Organization follows SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a 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 Activities as net assets released from restrictions.

CASH AND OTHER DEPOSITS

At December 31, 2003, the Organization maintains three bank accounts at American Horizons Bank. Accounts at the financial institution are insured by the Federal Deposit Insurance Corporation up to \$100,000.

PROPERTY, EQUIPMENT, AND DEPRECIATION

Furniture and equipment acquired by the organization and leasehold improvements made by the organization are recorded at cost. Property and equipment donated to the organization are recorded at fair value. Property and equipment purchased or donated with a cost or value exceeding \$250 and having a useful life of more than one year are capitalized. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities. The Organization is not permitted to dispose of property and equipment without the consent of the Ouachita Council on Aging and/or various state agencies.

SUPPORT AND REVENUE RESTRICTIONS

The Organization reports support and revenue that is restricted by the donor as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When the restriction expires, that is, when a 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 Activities as net assets released from restrictions.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

EXPENSE ALLOCATION

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and the supporting services benefited.

INCOME TAX STATUS

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and is classified as other than a private foundation.

NOTE 2 - REVENUE AND SUPPORT

The Organization's primary source of support and revenue for the programs and the administration of the Organization are through grants received from the State of Louisiana Governor's Office of Elderly Affairs (Office of Elderly Affairs) and Hampco, Inc., a not-for-profit organization. Grant funds received from the Office of Elderly Affairs are passed-through from the Ouachita Council on Aging in accordance with the Organization's contract with the Ouachita Council on Aging.

NOTE 3 - DONATED USE OF FACILITY

The organization performs administrative functions and provides the majority of its programs in a facility, the use of which is donated by Hampco, Inc. Hampco, Inc. leases the facility from Pleasant Green Baptist Church, Inc. The annual lease amount under such lease agreement is \$36,000.

NOTE 4 - PROGRAM EXPENDITURES

The Organization operates several programs designed to satisfy the needs of senior citizens in Richwood, Louisiana.

The programs operated by the Organization are described as follows:

Meals on Wheels - The program provides food for those senior citizens who are unable to provide a healthy diet for themselves. Meals are served on-site and at the homes of sick and shut-in individuals, who are unable to come on-site to participate in the program.

Transportation - The program is designed to ensure that senior citizens participating in the program can have a safe reliable means of transportation to various civic organizations, to pay bills, to and from the organization's on-site location, to and from medical appointments, and for various other activities.

SENIOR CITIZENS OUTREACH ENTITY, INC.
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003

NOTE 4 - PROGRAM EXPENDITURES (CONTINUED)

Recreational and Educational Activities - The program includes, but is not limited to, on site resource presenters who inform the seniors citizens about health concerns affecting the elderly. Volunteers oversee survival skill activities such as grocery shopping, visits to the doctor, and paying bills. Also, various recreational activities, which include crafts and other interests, are provided on-site in order to promote social grouping, individual activities and day-to-day interaction in a safe and accommodating environment.

NOTE 5 - OPERATING LEASE

In 1998, the Organization entered into a cancelable lease agreement with St. James Missionary Baptist Church. In accordance with the terms of the lease agreement, the church leases the use of a van to the Organization for \$400 per month excluding holidays. The total amount paid under this lease during the year ended December 31, 2003, was \$4,232. The lease expense for the van is reported in transportation costs in the statement of functional expenses.

NOTE 6 - FINANCIAL INSTRUMENTS

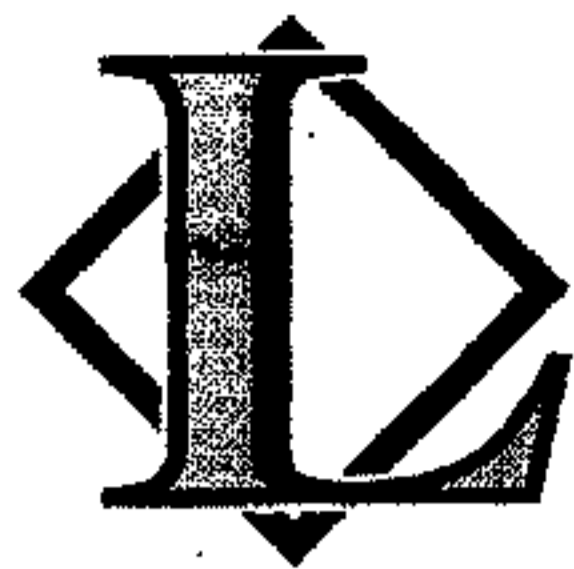
COLLATERALIZATION POLICY

The Organization does not require collateral to support financial instruments subject to credit risk.

CONCENTRATIONS

The Organization's primary source of current funding is through a grant received from the Office of Elderly Affairs. The grant agreement expires on June 30, 2004; however, it is anticipated that the Organization will receive a new grant through the Office of Elderly Affairs. Such grant will be for the period July 1, 2004, through June 30, 2005.

OTHER INDEPENDENT AUDITORS' REPORT



LITTLE & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA
CHARLES R. MARCHBANKS, JR., CPA

Independent Auditors' Report on Compliance
and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements
Performed in Accordance with
Government Auditing Standards

The Board of Directors
Senior Citizens Outreach Entity, Inc.
Richwood, Louisiana

We have audited the financial statements of Senior Citizens Outreach Entity, Inc. as of and for the year ended December 31, 2003, and have issued our report thereon dated June 8, 2004. We conducted our audit in accordance with U.S. 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 Senior Citizens Outreach Entity, Inc.'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*.

The Board of Directors
Senior Citizens Outreach Entity, Inc.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Senior Citizens Outreach Entity, Inc.'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 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 considered to be material weaknesses.

This report is intended solely for the information and use of the management of the Organization, the Ouachita Council on Aging, and the State of Louisiana Governor's Office of Elderly Affairs and is not intended to be and should not be used by anyone other than these specified parties.

Little & Associates

Monroe, Louisiana
June 8, 2004

SUPPLEMENTARY INFORMATION

SENIOR CITIZENS OUTREACH ENTITY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2003

We have audited the financial statements of Senior Citizens Outreach Entity, Inc. as of and for the year ended December 31, 2003, and have issued our report thereon dated June 8, 2004. We conducted our audit in accordance with U.S. 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. Our audit of the financial statements as of December 31, 2003, resulted in an unqualified opinion.

Section I Summary of Auditors' Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control
Material Weaknesses Yes No Reportable Conditions Yes No

Compliance
Compliance Material to Financial Statements Yes No

b. Federal Awards

Senior Citizens Outreach Entity, Inc. did not receive any Federal Awards nor did it expend any funds under a Federal Awards Program. Thus, this section is not applicable.

Section II Financial Statement Findings

Senior Citizens Outreach Entity, Inc. did not have any financial statement findings for the year ended December 31, 2003.

Section III Federal Award Findings and Questioned Costs

Senior Citizens Outreach Entity, Inc. did not receive any Federal Awards nor did it expend any funds under a Federal Awards Program. Thus, this section is not applicable.

SENIOR CITIZENS OUTREACH ENTITY, INC.

SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2003

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

There were no prior year findings.

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A - Senior Citizens Outreach Entity, Inc. did not receive any Federal Awards for the year ended December 31, 2003.

SECTION III - MANAGEMENT LETTER

There were no prior year findings.

OTHER REQUIRED INFORMATION

[This form is an unaudited informational document prepared by management of the agency.]

LEGISLATIVE AUDITOR
BATON ROUGE LA 70804

DATA COLLECTION FORM
FOR REPORTING ON STATE AND LOCAL GOVERNMENT AND QUASI-PUBLIC ENTITIES

OMB Form 0348-0057 may be used as a substitute for this form.

Date Submitted 06/08/04

RETURN to: Legislative Auditor
Attn: Engagement Processing
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

1. Fiscal Year Ending Date For This Submission:

12/31/03

3. Audit Period Covered

Annual Biennial
 Other to

2. Type of Report:

Single Audit GAO Audit Standards Audit
 Compilation Compilation/Attestation
 Program Audit Other

4. AUDITEE INFORMATION

Auditee Name

Senior Citizen Outreach Entity, Inc.
Street Address (Number and Street)
5125 Brown Road

Mailing Address (PO No.)
5125 Brown Road

City State Zip
Richwood LA 71202

Auditee Contact

Name Title
Victoria Morris Executive Director

Telephone Fax
(318) 398-0770 (318) 325-6898

Email (Optional)

5. AUDITOR INFORMATION

Firm Name

Little & Associates
Set Address (Number and Street)
805 North 31st Street

Mailing Address (PO No.)
P. O. Box 4058

City State Zip
Monroe LA 71211-4058

Auditor Contact

Name Title
Charles R. Marchbanks, Jr. Partner

Telephone Fax
(318) 361-9600 (318) 361-9620

Email (Optional)
Cmarchbanks@LBCPAS.COM

Component Units Included Within the Report and for Which No Separate Report Will Be Issued:

If there are no modifications to the auditor's financial opinion, no reported deficiencies in internal control, no reported instances of noncompliance, and no management letter, check this box and do not complete the rest of the form.

6. FINANCIAL STATEMENTS

a. Type of audit report on financial statements. Not Applicable
 Unqualified Opinion Qualified Opinion Adverse Opinion Disclaimer of Opinion
b. Is a 'going concern' explanatory paragraph included in the audit report? Yes No
c. Do any of the funds have deficit balances? Yes No

7. INTERNAL CONTROL

Do the comments on internal control include: material weaknesses other conditions

8. COMPLIANCE

Do the comments on compliance include: criminal acts fraud and abuse not applicable

9. CURRENT YEAR MANAGEMENT LETTER (Finding Caption and No.)

Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable

10. SCHEDULE OF CURRENT YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and No.)

\$ _____ Resolved Yes No No Longer Applicable
\$ _____ Resolved Yes No No Longer Applicable
\$ _____ Resolved Yes No No Longer Applicable
\$ _____ Resolved Yes No No Longer Applicable
\$ _____ Resolved Yes No No Longer Applicable
\$ _____ Resolved Yes No No Longer Applicable

Do any findings address nepotism, ethics violations or related party transactions? Yes No
Do any findings address violation of bond indenture covenants? Yes No

11. SCHEDULE OF PRIOR YEAR FINDINGS/QUESTIONED COSTS/MANAGEMENT LETTER COMMENTS

(Finding/Comment Caption and No.)
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable
Resolved Yes No No Longer Applicable

AUDITEE SIGNATURE

Victoria Morris

Date 6/08/04

CPA'S SIGNATURE

Charles R. Marchbanks, Jr. CPA

Date 6/08/04