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Happi Llandiers, Inc.

Financial Statements

December 31, 2003

With Independent Auditors' Report Thereon

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 9.1.04



Demetria L. Robinson-Carter, CPA, LLC

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Independent Auditors' Report

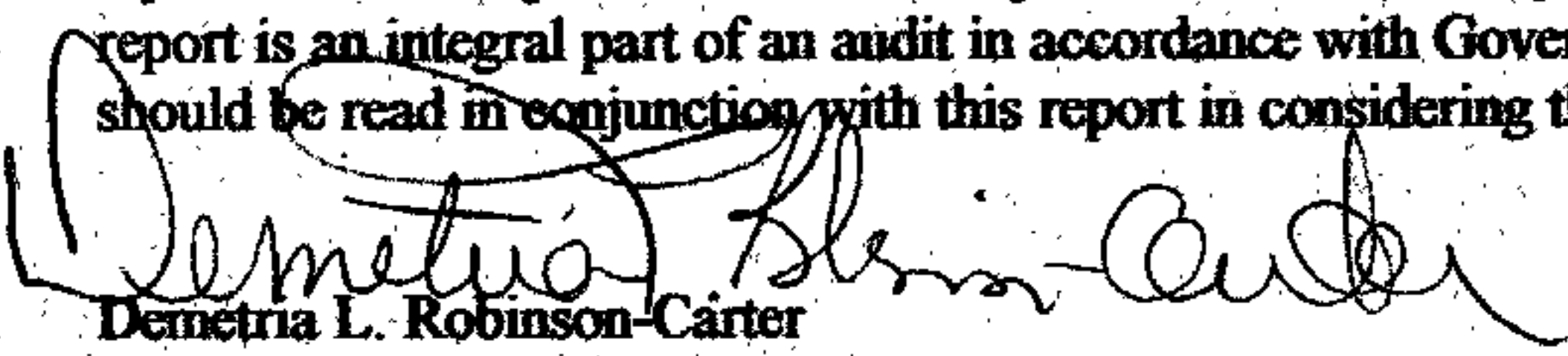
The Board of Directors
Happi Llandiers, Inc.
P. O. Box 1547
St. Francisville, LA 70775

I have audited the accompanying statements of financial position of Happi Llandiers, Inc. (The Company) as of December 31, 2003 and the related statement of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of The Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with generally accepted auditing standards generally accepted in the United States of America. 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 financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Happi Llandiers, Inc. as of December 31, 2003, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles in the United States of America.

In accordance with Government Auditing Standards, I have also issued my reported dated May 5, 2004 in my consideration of Happi Llandiers, Inc. internal control over financial reporting and my test of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results.


Demetria L. Robinson-Carter
Certified Public Accountant
May 5, 2004



Demetria L. Robinson-Carter, CPA, LLC

Happi Llandiers, Inc.
Statement of Financial Position
For the Year Ended December 31, 2003

| | |
|---|-------------------------|
| Assets | |
| Current assets: | |
| Cash | \$ 30,486 |
| Receivables - United Way | 3,911 |
| Total current assets | <u>34,397</u> |
| Other Assets | |
| Security Deposit | 100 |
| Total other assets | <u>100</u> |
| Fixed Assets: | |
| Movable Equipment, net of accumulated depreciation of \$2,338 | 692 |
| Vehicles, net of accumulated depreciation of \$22,043 | <u>5,511</u> |
| Total fixed assets | <u>6,203</u> |
| Total assets | <u><u>40,700</u></u> |
| | |
| Liabilities & Net Assets | |
| Current Liabilities: | |
| Accounts Payable | <u>1,563</u> |
| Total Current Liabilities | 1,563 |
| Total Liabilities | <u>1,563</u> |
| Net Assets | |
| Unrestricted | <u>39,135</u> |
| Total net assets | <u>39,135</u> |
| Total liabilities and net assets | <u><u>\$ 40,700</u></u> |

See accompanying notes to financial statements.

Happi Llandiers, Inc.
Statement of Activities
For the Year Ended December 31, 2003

Unrestricted Net Assets

Contributions:

| | |
|---|----------------|
| West Feliciana Parish Police Jury | \$ 50,790 |
| United Way | 46,930 |
| Iberville Community Center Teen Pregnancy Program | 16,398 |
| Fund raising events (net) | 8,795 |
| Police Jury (in-kind rent) | 10,800 |
| Greater Baton Rouge Food Bank | 7,460 |
| Department of Education | 5,493 |
| Urban Affairs | 3,525 |
| Grant Art Council | 2,378 |
| All other | 7,109 |
| Total unrestricted revenue and other support | <u>159,678</u> |

Expenses:

| | |
|-----------------------|----------------|
| Program services | 127,746 |
| Supporting services | |
| Administration | <u>24,353</u> |
| Total Expenses | <u>152,098</u> |

Increase (Decrease) in unrestricted Net Assets 7,580

Increase (Decrease) in Net Assets 7,580

Net Assets, beginning of year 31,554

Net Assets, end of year \$ 39,135

See accompanying notes to financial statements.

Happi Llandiers, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2003

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|--|----------|
| Increase (decrease) in net assets | \$ 7,580 |
| Adjustments to reconcile decrease in net assets to net cash provided by operating activities | |
| Depreciation | 6,034 |
| (Increase) decrease in accounts receivable and contributions | (1,577) |
| Increase (decrease) in accounts payable | 338 |
| Net cash provided by (used in) operating activities | 12,374 |

INCREASE (DECREASE) IN CASH 12,374

CASH, January 1, 2003 18,112

CASH, December 31, 2003 \$ 30,486

Supplemental disclosures of cash flow information:

Non-cash activities:

| | |
|---------------|-----------|
| In-kind gifts | \$ 18,260 |
|---------------|-----------|

See accompanying notes to financial statements.

Happi Landiers, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2003

| | PROGRAM SERVICES | SUPPORTING SERVICES | TOTAL |
|------------------------------------|-----------------------------|--------------------------------|----------------------|
| Awards and grants | \$ 650.00 | | \$ 650.00 |
| Depreciation | 4,827.41 | 1,206.85 | 6,034.26 |
| Dues and subscriptions | 49.50 | 16.50 | 66.00 |
| Field Trips / Abstinence | 8,166.96 | | 8,166.96 |
| Insurance | 2,628.00 | 50.00 | 2,678.00 |
| Licenses | | 81.25 | 81.25 |
| Occupancy | | | |
| Rent (In-Kind) | 8,640.00 | 2,160.00 | 10,800.00 |
| Utilities | 1,449.10 | | 1,449.10 |
| Payroll Taxes | 7,044.69 | 1,706.48 | 8,751.17 |
| Postage | 29.20 | 43.80 | 73.00 |
| Professional Services | 2,008.79 | 3,204.00 | 5,212.79 |
| Repairs & Maintenance | 365.17 | 91.29 | 456.46 |
| Salaries | 28,868.40 | 14,441.11 | 43,309.51 |
| Specific Assistance to individuals | 46,584.31 | | 46,584.31 |
| Supplies | 3,258.81 | 814.70 | 4,073.51 |
| Summer Day Camp | 9,344.19 | | 9,344.19 |
| Telephone | 2,146.97 | 536.74 | 2,683.71 |
| Transportation | | | |
| Fuel | 658.80 | | 658.80 |
| Repairs and other | 532.04 | | 532.04 |
| Other | 493.43 | | 493.43 |
| Totals | \$ 127,745.76 | \$ 24,352.73 | \$ 152,098.49 |

See accompanying notes to financial statements.

Happi Llandiers, Inc.
Notes to Financial Statements
December 31, 2003

1) Organization

Happi Llandiers, Inc. (The Company) is a nonprofit incorporated under the laws of the State of Louisiana in October, 1976. The purpose of the organization is to provide assistance to young mothers and children in need by instituting programs, which support children and families.

The Company is a private nonprofit service organization that provides tutoring to students, meals to elderly community members, Workshops, Food Bank, Clothes Giveaway, Boy Scouts, Abstinence Program Community Assistance with Utility payments and Scholarship Program.

(2) Summary of Significant Accounting Policies

(a) Financial Statement Presentation

The financial statements of The Company have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables and payables.

The Company has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-For-Profit Organizations." Under SFAS No. 117, the Company is required to report information regarding its statement of income according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Company is required to present a statement of cash flows. As permitted by the statement, the Company does not use fund accounting.

(b) Revenue Recognition

The Company has also adopted 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.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

(c) Cash and Cash Equivalents

Cash and cash equivalents include bank deposits.

(d) Receivables

Receivables consist primarily of contributions expected to be received shortly after year-end. The Company records receivables at net realizable value using the allowance method. There are no identifiable concentrations of credit risk related to these amounts.

(e) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

(f) Income Taxes

The Company is exempt from federal and state income taxes under Internal Revenue Code Section 501 (c) (3).

The Company is not aware of any course of action or series of events that have occurred that might adversely affect the Company's tax status.

(g) Property and Equipment

Acquisitions of property and equipment in excess of \$500 are capitalized. Lesser amounts are expensed.

Depreciation is calculated using the straight-line method over the estimated useful lives as follows:

| | |
|----------|---------|
| Computer | 3 years |
| Vehicle | 5 years |

(h) Contributed Services

The value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

(i) Gifts-in-Kind

Contributions include gifts-in-kind of food in the amount of \$7,460 from the Greater Baton Rouge Food Bank that are distributed to eligible families. This food is assigned a value based on information provided by the Greater Baton Rouge Food Bank. This food is expensed when distributed.

Contributions also include gift-in-kind of rental in the amount of \$10,800 from West Feliciana Parish Police Jury Department.

(j) Functional Expenses

Expenses are charged directly to program or supporting services based on specific identification, if possible. For those expenses where specific identification is not practical, an allocation of shared expenses is done.

3. Property and Equipment

Property and equipment consists of the following:

| | |
|-----------------------------------|-----------------|
| | 12/31/03 |
| Equipment | 3,030 |
| Vehicle | 27,554 |
| Total Fixed Assets | <u>30,584</u> |
| Less: Accumulated Depreciation | <u>(24,381)</u> |
| Net Property and equipment | <u>6,203</u> |

Depreciation expense for the year ended 2003 was \$6,034.

4. Operating Leases

The Company has an operating lease agreement for business equipment that expire on January 31, 2004. Rental expenses under these leases amounted to \$1,026 for the year ended December 31, 2003.

Future minimum lease payments are as follows:

| | |
|------|---------|
| 2003 | \$1,026 |
| 2004 | \$ 85 |

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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**

To the Board of Directors and Members
Happi Llandiers, Inc.
P. O. Box 1547
St. Francisville, LA 70775

I have audited the financial statements of Happi Llandiers, Inc. a nonprofit organization as of and for the year ended December 31, 2003, and have issued my report hereon dated May 5, 2004. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

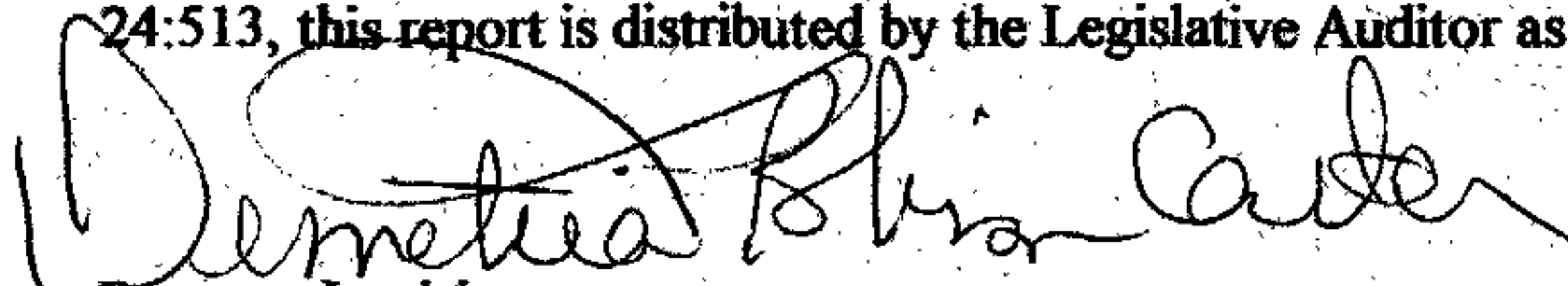
As part of obtaining reasonable assurance whether Happi Llandiers, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Governmental Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Happi Llandiers, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My 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. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

The report is intended solely for the information and use of the board of directors, members and management of Happi Llandiers, Inc. 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.



Reserve, Louisiana
May 5, 2004

Happi Llandiers, Inc.
Summary of Prior Year Findings
For the Year Ended December 31, 2003

**A. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

None

**B. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

None

C. MANAGEMENT LETTER

None

Happi Llandiers, Inc.
Schedule of findings and Questioned costs
For the Year Ended December 31, 2003

I have audited the financial statements of Happi Llandiers, Inc. as of and for the year ended December 31, 2003, and have issued my report thereon dated May 05, 2004. I conducted my 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. My audit of the financial statements as of May 05, 2004, resulted in an unqualified opinion.

A. Summary of Audit Results

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

Internal Control

Material Weakness(es) Yes No

Reportable condition(s) identified

Not considered to be material weaknesses? Yes No

2. State Awards

Internal Control

Material Weakness(es) Yes No

Reportable condition(s) identified

Not considered to be material weaknesses? Yes No

B. Financial Statement Findings

None

C. State Award Findings and Questioned Costs

None

Schedule 3

**Happi Llandiers, Inc.
P. O. Box 1547
St. Francisville, LA 70775**

**CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2003**

Happi Llandiers, Inc. has no findings for the year ended December 31, 2003.

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