

1102

RECEIVED
LEGISLATIVE AUDITOR
04 DEC 13 PM 1:33

FRANKLIN COUNCIL ON AGING, INC.

*Financial Statements
For the Year Ended June 30, 2004*

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 12-22-04



FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2004

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report -----	1-2
Required Supplemental Information (Part A)	
Management's Discussion and Analysis -----	3-5
Government-Wide Financial Statements	
Statement of Net Assets -----	6
Statement of Activities -----	7
Fund Financial Statements	
Governmental Funds:	
Balance Sheet -----	8
Reconciliation of the Governmental Fund Balance Sheet to the Government-Wide Statement of Net Assets -----	8
Statement of Revenues, Expenditures and Changes in Fund Balances -----	9
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities -----	9
Notes to Financial Statements -----	10-17
Required Supplemental Information (Part B)	
Budgetary Comparison Schedules	
General Fund -----	18
Title III B – Supportive Services -----	19
Title C1 – Congregate Meals -----	20
Title C2 – Home Delivered Meals -----	21
Notes to Budgetary Comparison Schedules -----	22

SUPPLEMENTAL INFORMATION SCHEDULES REQUIRED BY GOEA

GENERAL FUNDS

Combining Balance Sheets -----	23
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -----	24

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet -----	25
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -----	26

FRANKLIN COUNCIL ON THE AGING, INC.
WINNSBORO, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2004

TABLE OF CONTENTS (CONTINUED)

SUPPLEMENTAL INFORMATION SCHEDULES (CONTINUED)

	<u>Page</u>
<u>GENERAL FIXED ASSET ACCOUNT GROUP</u>	
Schedule of General Fixed Assets -----	27
<u>OTHER SUPPLEMENTAL INFORMATION –</u> <u>GRANT ACTIVITY</u>	
Schedule of Expenditures of Federal Awards -----	28
Notes to Schedule of Expenditures of Federal Awards -----	29
Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> -----	30-31
Schedule of Findings And Questioned Costs -----	32-33
Schedule of Prior Year Findings -----	34

CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

104 Regency Place

West Monroe, Louisiana 71291

Phone (818) 823-1717

Fax (818) 822-5121

E-Mail: chhcpas@bellsouth.net

Mailing Address:

P. O. Box 2474

West Monroe, LA 71294-2474

INDEPENDENT AUDITORS' REPORT

Board of Directors
Franklin Council on Aging, Inc.
Winnsboro, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Franklin Council on Aging, Inc., as of and for the year ended June 30, 2004, which collectively comprise the basic financial statements of the Council as listed in the table of contents. These financial statements are the responsibility of the Council'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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information for the Franklin Council on Aging, Inc., as of June 30, 2004, and the respective changes in financial position, thereof 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 October 19, 2004, on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Directors
Franklin Council on Aging, Inc.
Winnsboro, Louisiana
Page 2

As described in Note 1, the Council has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, as of June 30, 2004.

Management’s discussion and analysis and budgetary comparison information on pages 3 through 5 and 19 through 22, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
October 19, 2004

REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS

714 Adams Street
Winnsboro, LA 71295
318-435-7579
1-800-613-4710
Fax 318-435-3518

FRANKLIN PARISH COUNCIL ON AGING, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Franklin Parish Council on Aging provides an overview of the Council's activities for the year ended June 30, 2004. Please read it in conjunction with the Council's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Council as a whole.

Reporting the Council as a Whole

The Statement of Net Assets and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Council's net assets and changes in them. The Council's net assets – the difference between assets and liabilities – measure the Council's financial position. The increase or decrease in the Council's net assets are an indicator of whether its financial position is improving or deteriorating.

THE COUNCIL AS A WHOLE

For the year ended June 30, 2004:

Beginning net assets	\$188,721
Increase in net assets	<u>74,000</u>
Ending net assets	<u>\$262,721</u>

In future years, a comparative analysis of beginning and ending net assets will be presented.

THE COUNCIL'S FUNDS

The following schedule presents a summary of revenues and expenses for the fiscal year ended June 30, 2004, and the amount and percentage of increases and decreases in relation to the prior year.

*COMMITTED ... to improving the quality
of life for our Senior Citizens.*

.....

"AN EQUAL OPPORTUNITY EMPLOYER"

Revenues	June 30, 2004	Percent of Total	Increase (Decrease) From June 30, 2003	Percent Increase (Decrease)
Intergovernmental	\$308,351	71%	\$9,398	3%
Property Taxes	88,929	20%	\$2,009	2%
Public Support	32,584	7%	182	1%
Rental Income	3,026	1%	179	6%
Miscellaneous	1,790	0%	(17,529)	-979%
Totals	\$434,680	100%	(\$5,761)	-967%

Revenues for the Council decreased overall. In the prior year, funds were received to make improvements to the building which have been completed. The intergovernmental revenues increased slightly from the prior year due to funding being restored in some areas of service.

Expenses	June 30, 2004	Percent of Total	Increase (Decrease) From 30-Jun-03	Percent Increase (Decrease)
Total	\$369,981	100%	(\$67,600)	-18%

The Council's expenses substantially decreased from the prior year. This was due to the completion of the building improvements in the prior year and the cutting of costs through fewer employees.

BUDGETARY HIGHLIGHTS

The Council's total revenues in fiscal year 2004 were more than the final budget of \$67,659. Only that portion of the property tax expected to be used to cover expenses is budgeted. Actual expenses for the Council were over the final budget by \$575. The General Fund is not budgeted but used in support of other programs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2004 and 2003, the Council had \$133,868 and \$142,239 invested in capital assets including buildings and improvements, furniture and fixtures, equipment, and vehicles (see table next page).

	<u>June 30, 2004</u>	<u>June 30, 2003</u>
Building Improvements	\$15,410	\$15,410
Furniture & Fixtures	4,103	3,744
Vehicles	114,355	123,085
 Totals	 <u>\$133,868</u>	 <u>\$142,239</u>

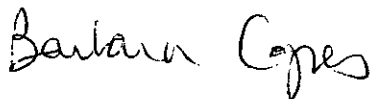
This year's major additions included the purchase of two new computers and the DOTD portion of two new vans purchased. The Council disposed of two old computers and sold one van.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND REVENUES

The Council's revenues are derived mainly from three sources, United States Department of Health and Human Services Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council, Property Tax Millage and Public Support. The Council does not anticipate any major increase or decrease in the revenues for the coming year.

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Council's finances and to show the Council's accountability for the money it receives. If you have questions concerning this report or need additional financial information, contact the Franklin Parish Council on Aging, 714 Adams Street Winnsboro, LA 71295.



Barbara Copes
Director

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2004

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 101,866
Certificates of Deposit	126,662
Accounts Receivable	1,489
Utility Deposits	100
Capital Assets:	
Depreciable	58,318
<u>TOTAL ASSETS</u>	\$ 288,435
<u>LIABILITIES</u>	
Accounts Payable	\$ 13,090
Accrued Expenses	12,624
Total Liabilities	25,714
<u>NET ASSETS</u>	
Invested in Capital Assets, Net of Related Debt	58,318
Restricted For:	
Utility Assistance	4
Unrestricted	204,399
Total Net Assets	262,721
<u>TOTAL LIABILITIES AND NET ASSETS</u>	\$ 288,435

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Direct Expenses</u>	<u>Indirect Expenses</u>
Function/Program Activities		
Governmental Activities:		
Health, Welfare and Social Services:		
Supportive Services:		
Homemaker	\$ 19,837	\$ 12,823
Information and Assistance	1,840	324
Outreach	436	221
Transportation	31,275	19,495
Other Services	22,373	10,587
Nutrition Services:		
Congregate Meals	84,239	46,935
Home Delivered Meals	56,587	25,728
Utility Assistance	18,362	-
Disease Prevention and Health Promotion	2,426	1,141
National Family Caregiver Support	936	3,519
Senior Activities	4,685	-
Administration	14,810	-
	<u>\$ 257,806</u>	<u>\$ 120,773</u>
Total Governmental Activities		

Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Assets Governmental Activities
	Operating Grants and Contributions	Capital Grants and Contributions	
\$ -	\$ 17,960	\$ -	\$ (14,700)
-	1,330	-	(834)
-	665	-	8
-	27,938	-	(22,832)
-	18,626	-	(14,334)
-	61,019	-	(70,155)
-	66,902	-	(15,413)
-	13,853	-	(4,509)
-	3,432	-	(135)
-	4,469	-	14
-	-	-	(4,685)
-	5,177	-	(9,633)
<u>\$ -</u>	<u>\$ 221,371</u>	<u>\$ -</u>	<u>\$ (157,208)</u>

General Revenues:

Grants and Contributions not Restricted to Specific Programs	137,463
Property Taxes	88,929
Rental Income	3,026
Miscellaneous	1,790
Total General Revenues	<u>231,208</u>
Changes in Net Assets	74,000
Net Assets - Beginning	<u>188,721</u>
Net Assets - Ending	<u>\$ 262,721</u>

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2004

	General Fund	Title III B Supportive Services	Title C-1 Congregate Meals	Title C-2 Home Delivered Meals
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 84,699	\$ -	\$ 2,054	\$ 3,097
Certificates of Deposits	126,662	-	-	-
Accounts Receivable	-	-	-	-
Utility Deposits	-	47	41	12
Due From Other Funds	450	8,666	3,689	636
	<u>\$ 211,811</u>	<u>\$ 8,713</u>	<u>\$ 5,784</u>	<u>\$ 3,745</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ 1,142	\$ 5,784	\$ 3,745
Other Accrued Expenses	12,624	-	-	-
Due To Other Funds	2,755	7,571	-	-
	<u>15,379</u>	<u>8,713</u>	<u>5,784</u>	<u>3,745</u>
<u>FUND BALANCE</u>				
Fund Balance				
Reserved for:				
Utilities Assistance	-	-	-	-
Unreserved, Reported In:				
General Fund	196,432	-	-	-
Special Revenue Funds	-	-	-	-
Total Fund Balance	<u>196,432</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL LIABILITIES AND FUND</u>				
<u> BALANCE</u>	<u>\$ 211,811</u>	<u>\$ 8,713</u>	<u>\$ 5,784</u>	<u>\$ 3,745</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET ASSETS OF
GOVERNMENTAL FUNDS
JUNE 30, 2004

<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>		
		Total Governmental Fund Balances	\$ 204,403
		<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
\$ 12,016	\$ 101,866		
-	126,662		
1,489	1,489		
-	100	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
-	13,441		<u>58,318</u>
<u>\$ 13,505</u>	<u>\$ 243,558</u>		
		Net Assets of Governmental Activities	<u>\$ 262,721</u>
\$ 2,419	\$ 13,090		
-	12,624		
<u>3,115</u>	<u>13,441</u>		
<u>5,534</u>	<u>39,155</u>		
7,967	7,967		
-	196,432		
4	4		
<u>7,971</u>	<u>204,403</u>		
<u>\$ 13,505</u>	<u>\$ 243,558</u>		

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC
WINNSBORO, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2004

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title C-1 Congregate Meals</u>	<u>Title C-2 Home Delivered Meals</u>
<u>REVENUES</u>				
Intergovernmental	\$ 95,057	\$ 65,453	\$ 48,021	\$ 43,596
Property Taxes	88,929	-	-	-
Public Support	4,224	1,066	12,998	443
Rental Income	3,026	-	-	-
Miscellaneous	1,790	-	-	-
Total Revenues	<u>193,026</u>	<u>66,519</u>	<u>61,019</u>	<u>44,039</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	-	72,721	48,049	29,213
Fringe	-	7,190	4,573	2,779
Travel	-	6,271	412	5,240
Operating Services	-	29,229	20,758	7,828
Operating Supplies	858	3,789	2,915	1,684
Other Costs	244	11	54,467	35,571
Capital Outlay	3,064	386	442	228
Utility Assistance	-	-	-	-
Total Expenditures	<u>4,166</u>	<u>119,597</u>	<u>131,616</u>	<u>82,543</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	188,860	(53,078)	(70,597)	(38,504)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers - In	-	53,078	70,597	38,504
Operating Transfers - Out	(119,652)	-	-	-
Total Other Financing Sources (Uses)	<u>(119,652)</u>	<u>53,078</u>	<u>70,597</u>	<u>38,504</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	69,208	-	-	-
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>127,224</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 196,432</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FRANKLIN COUNCIL ON AGING, INC.
 WINNSBORO, LOUISIANA
 RECONCILIATION OF THE STATEMENT OF
 REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2004

Nonmajor Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	\$ 64,699
\$ 56,224	\$ 308,351	<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
-	88,929	Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
13,853	32,584	Capital asset purchases capitalized	22,057
-	3,026	Depreciation expense	<u>(12,756)</u>
-	1,790		<u>9,301</u>
<u>70,077</u>	<u>434,680</u>		
5,196	155,179	Change in Net Assets in Governmental Activities	<u>\$ 74,000</u>
418	14,960		
38	11,961		
5,614	63,429		
1,379	10,625		
1,014	91,307		
38	4,158		
<u>18,362</u>	<u>18,362</u>		
<u>32,059</u>	<u>369,981</u>		
38,018	64,699		
144	162,323		
<u>(42,671)</u>	<u>(162,323)</u>		
<u>(42,527)</u>	<u>-</u>		
(4,509)	64,699		
<u>12,480</u>	<u>139,704</u>		
<u>\$ 7,971</u>	<u>\$ 204,403</u>		

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Note 1- Summary of Significant Accounting Policies

The financial statements of the Franklin Council on Aging, Inc. have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These statements have also incorporated any applicable requirements set forth by *Audits of State and Local Governmental Units*, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI-Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors, and the *Louisiana Governmental Audit Guide*. The more significant to the Council's accounting policies are described below.

A. Reporting Entity

In 1964, the State of Louisiana passed Act 456 that authorized the charter of voluntary councils on aging for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Franklin Council on Aging, Inc. is a non-profit, quasi-public, corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies that may impose certain restrictions upon how the Council can use the money that they have provided.

The primary function of the Franklin Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 15 voluntary members who serve three-year terms governs the Council.

The Council is not a component unit of another primary government nor does it have any component units that are related to it. Therefore, the Council has presented its financial statements as a separate special purpose government.

B. Financial Reporting

The Council follows the provisions of the Governmental Accounting Standards Board Statement, Nos. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (Statement 34), 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus* (Statement 37), and 38, *Certain Financial Statement Note Disclosures* (Statement 38), which establish the financial reporting standards for all state and local governmental entities.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

The accompanying government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions of behalf of the Council. The Council accounts for its funds as governmental funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Office of Elderly Affairs Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council.

The Council reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. The following types of programs comprise the Council's General Fund:

Local Funds

Local funds are received from various local sources; such funds not being restricted to any special use.

PCOA (ACT 735) Funds

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Title III-B Supportive Services Fund

This program provides access services, in-home services, community services, legal assistance and transportation for the elderly.

Title III C-1 Congregate Meals Fund

These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund

These funds are used to provide nutritional meals to home-bound older persons.

The remaining nonmajor funds are as follows:

Senior Center Fund

This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity and encourage their involvement in and with the community.

Nutritional Services Incentive Program (NSIP)

The NSIP program (formerly USDA) is used to account for the administration of Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that the United States food and commodities may be purchased to supplement these programs.

Title III-D Disease Prevention and Health Promotion Services

This program provides funds to develop or strengthen preventive health service and health promotion systems through designated agencies.

Title III-E National Family Caregiver Support

To assist in providing multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Audit Funds

These funds are used to offset the cost of the annual audit. The amount received for the years ended June 30, 2004 and 2003 was \$953, respectively.

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various Councils on Aging through the state to be used to supplement the primary state grant for senior centers. Franklin Council on Aging, Inc. was one of the parish councils to receive a supplemental grant.

Utility Assistance Fund

The Utility Assistance fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish Councils on Aging to provide assistance to the elderly for the payment of their utility bills.

C. Compensated Absences

Employees of the Franklin Council on Aging, Inc. earn from 10 to 20 days of annual leave each year with 10 days allowed to be carried over to next year, depending on their length of service and the employee's working status (full-time or part-time). Provided that funds are available, employees are compensated upon termination of employment for current-year accrued annual leave up to 5 days. Employees earn up to 12 days of sick leave each year, and can accumulate up to 60 days, depending upon whether the employee is on a part-time or full-time status. Employees are not paid for accrued sick leave at termination and no accrual has been made.

D. Funding Policies and Sources of Funds

The Council receives its monies through various methods of funding. NSIP program funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food cost in Title III C-1 and C-2 programs. This program is funded under the units of service provided method. The Senior Center program and State Allocation (PCOA) and Supplemental Senior Center funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditure. The Title III-B, C-1, C-2, D and E programs are funded based on actual operating cost incurred. The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, and C-2 programs. Utility assistance funds are also provided by the Louisiana Association of Council on Aging to the Council under the Helping Hands and Heating Help Energy programs. All of the above mentioned funds, including any other miscellaneous income, are recorded as revenue when the cash is received because the Council cannot predict the timing and amount of receipt.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Note 1 - Summary of Significant Accounting Policies (continued)

E. 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.

Note 2 - Cash and Certificates of Deposit

At June 30, 2004, the book balance of the Council's bank deposits was \$101,866.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2004 are secured as follows:

Bank Balances	<u>\$ 103,142</u>
Federal Deposit Insurance	\$ 100,000
Pledged Securities (Uncollateralized)	<u>10,075</u>
Total	<u>\$ 110,075</u>

Because the pledged securities are held by the custodial bank in the name of the fiscal agent bank rather than in the name of the Council, they are considered uncollateralized (Category 3) under the provision of GASB Codification C20.106; however Louisiana Revised Statute 39.1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent bank has failed to pay deposited funds upon demand.

One financial institution maintains three certificates of deposit that is recorded at market value of \$126,662. Is fully collateralized with pledged securities totaling \$130,000 at year end. They are not considered cash equivalents.

Note 3 - Receivables

Accounts receivable at June 30, 2004, consisting of reimbursements for expenses incurred under the Title III D programs was \$1,489.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Note 4 - Fixed Assets

Fixed asset activity for the year ended June 30, 2004 is as follows:

	<u>Balance</u> <u>July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2004</u>
Depreciable Assets:				
Building Improvement	\$ 15,410	\$ -	\$ -	\$ 15,410
Vehicles	123,085	17,899	26,629	114,355
Machinery & Equipment	<u>3,744</u>	<u>4,158</u>	<u>3,799</u>	<u>4,103</u>
Totals at Historical Cost	142,239	22,057	30,428	133,868
Less Accumulated Depreciation				
For:				
Building Improvement	(385)	(771)	-	(1,156)
Vehicles	(84,400)	(11,041)	(26,574)	(68,867)
Machinery & Equipment	<u>(8,381)</u>	<u>(944)</u>	<u>(3,798)</u>	<u>(5,527)</u>
Total Accumulated Depreciation	<u>(93,166)</u>	<u>(12,756)</u>	<u>(30,372)</u>	<u>(75,550)</u>
Fixed Assets, Net	<u>\$ 49,073</u>	<u>\$ 9,301</u>	<u>\$ 56</u>	<u>\$ 58,318</u>

Depreciation was charged to Administration activities of the Council for \$12,756.

Note 5 - In-Kind Contributions

The Council received various in-kind contributions during the year. These in-kind contributions have not been recorded in the financial statements as revenues, nor has the expenditure related to the use of the in-kind been recorded. The primary in-kind contributions consisted of free rent and utilities for the senior center and meal sites, and wages and fringe benefits for volunteer workers.

Note 6 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's regular personnel policy.

Note 7 - Income Tax Status

The Council, a non-profit corporation is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Note 8 - Litigation and Claims

There was no litigation pending against the Council at June 30, 2004, nor is the Council aware of any unasserted claims.

Note 9 - Federal Award Programs

The Council receives revenues from various federal and state grant programs that are subject to final review and approval as to the allowability of expenditures by the respective grantor agencies. These programs are audited in accordance with the *Single Audit Act Amendment of 1996* and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Institutions*. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

Note 10-Economic Dependency

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

Note 11-Related Party Transactions

There were no related party transactions during the year.

Note 12-Interfund Transfers

Operating transfers in and out are listed by fund for 2004:

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>					<u>Total In</u>
	<u>Supplemental Senior Center</u>	<u>Senior Center</u>	<u>NSIP</u>	<u>General Fund</u>	<u>PCOA</u>	
Title IIIB - Supportive Services	\$ 3,825	\$ 15,983	\$ -	\$ 17,281	\$ 15,989	\$ 53,078
Title III C-1	-	-	14,837	-	55,760	70,597
Title III C-2	-	-	8,026	7,170	23,308	38,504
Title III D	-	-	-	144	-	144
Total Out	\$ 3,825	\$ 15,983	\$ 22,863	\$ 24,595	\$ 95,057	\$ 162,323

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

Note 13-Risk Management

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

Note 14-Council on Aging Building

The Council was appropriated \$200,000 in 2001 to purchase and renovate a new facility. The Council's attorney as well as the Town of Winnsboro's Attorney determined that based on an opinion from the State Attorney General that the Council was not allowed to own the building purchased with State funds. The Council purchased the building from the bank, which held the mortgage, and then sold the building to the Town of Winnsboro. The Council then paid the Town of Winnsboro \$140,000 as an up front payment for a 99-year lease. The \$140,000 was all that the Council received from the original appropriation. There will be no payments due on the lease over the course of the term.

Note 15-Property Tax Revenue

During 2001, Franklin Parish passed a 2 mill property tax to help support the Council's activities and services. The revenue for the year ended June 30, 2004 was \$88,829. The Franklin Parish Sheriff's Department issues a check to the Council on a monthly basis based on the taxes collected by Tax Assessor's Office. Approximately 70% of this revenue is received during the month of January.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 63,670	\$ 95,057	\$ 95,057	\$ -
Property Taxes	68,158	30,317	88,929	58,612
Public Support	-	-	4,224	4,224
Rental Income	-	-	3,026	3,026
Interest Income	-	-	1,790	1,790
Total Revenues	<u>131,828</u>	<u>125,374</u>	<u>193,026</u>	<u>67,652</u>
<u>Expenditures</u>				
Operating Supplies	-	-	858	(858)
Other Costs	-	-	244	(244)
Capital Outlay	-	-	3,064	(3,064)
Total Expenditures	<u>-</u>	<u>-</u>	<u>4,166</u>	<u>(4,166)</u>
<u>Excess (Deficiency) of Revenues Over Expenditures</u>				
	131,828	125,374	188,860	63,486
<u>Other Financing Uses</u>				
Transfers Out	<u>(131,828)</u>	<u>(125,374)</u>	<u>(119,652)</u>	<u>5,722</u>
<u>Net Change in Fund Balance</u>				
	-	-	69,208	69,208
<u>Fund Balance at Beginning of Year</u>				
	<u>127,224</u>	<u>127,224</u>	<u>127,224</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>				
	<u>\$ 127,224</u>	<u>\$ 127,224</u>	<u>\$ 196,432</u>	<u>\$ 69,208</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE III B - SUPPORTIVE SERVICES
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 65,453	\$ 65,453	\$ 65,453	\$ -
Public Support	200	1,900	1,066	(834)
Total Revenues	<u>65,653</u>	<u>67,353</u>	<u>66,519</u>	<u>(834)</u>
<u>Expenditures</u>				
Salaries	70,231	66,595	72,721	(6,126)
Fringe	7,653	8,334	7,190	1,144
Travel	5,753	5,512	6,271	(759)
Operating Services	30,021	27,456	29,229	(1,773)
Operating Supplies	7,006	4,800	3,789	1,011
Other Costs	-	-	11	(11)
Capital Outlay	2,469	1,152	386	766
Total Expenditures	<u>123,133</u>	<u>113,849</u>	<u>119,597</u>	<u>(5,748)</u>
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(57,480)	(46,496)	(53,078)	(6,582)
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>57,480</u>	<u>46,496</u>	<u>53,078</u>	<u>6,582</u>
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE CI - CONGREGATE MEALS
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 48,021	\$ 48,021	\$ 48,021	\$ -
Public Support	12,800	12,000	12,998	998
Total Revenues	<u>60,821</u>	<u>60,021</u>	<u>61,019</u>	<u>998</u>
<u>Expenditures</u>				
Salaries	50,784	49,693	48,049	1,644
Fringe	5,534	6,219	4,573	1,646
Travel	404	638	412	226
Operating Services	20,365	20,918	20,758	160
Operating Supplies	3,204	3,575	2,915	660
Other Costs	58,013	59,345	54,467	4,878
Capital Outlay	2,828	1,436	442	994
Total Expenditures	<u>141,132</u>	<u>141,824</u>	<u>131,616</u>	<u>10,208</u>
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(80,311)	(81,803)	(70,597)	11,206
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>80,311</u>	<u>81,803</u>	<u>70,597</u>	<u>(11,206)</u>
<u>Net Change in Fund Balance</u>				
	-	-	-	-
<u>Fund Balance at Beginning of Year</u>				
	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE C2 - HOME DELIVERED MEALS
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 43,596	\$ 43,596	\$ 43,596	\$ -
Public Support	1,000	600	443	(157)
Total Revenues	<u>44,596</u>	<u>44,196</u>	<u>44,039</u>	<u>(157)</u>
<u>Expenditures</u>				
Salaries	24,051	30,336	29,213	1,123
Fringe	2,619	3,797	2,779	1,018
Travel	4,608	6,373	5,240	1,133
Operating Services	7,043	7,470	7,828	(358)
Operating Supplies	1,668	2,055	1,684	371
Other Costs	31,237	31,955	35,571	(3,616)
Capital Outlay	1,456	838	228	610
Total Expenditures	<u>72,682</u>	<u>82,824</u>	<u>82,543</u>	<u>281</u>
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(28,086)	(38,628)	(38,504)	124
<u>Other Financing Sources (Uses)</u>				
Transfers In	<u>28,086</u>	<u>38,628</u>	<u>38,504</u>	<u>(124)</u>
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2004

The Council follows these procedures in establishing the budgetary data reflected in these financial statements:

The Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for each program's grant award.

The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.

The Board of Directors reviews and adopts the budget before June 30th of the current year for the next year.

The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.

All budgetary appropriations lapse at the end of each fiscal year (June 30).

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

The Council may transfer funds between line items as often as required, but must obtain prior approval for the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

Expenditures cannot legally exceed appropriations on an individual level.

Amounts were not budgeted for revenues and expenses for the utility assistance fund because they were not legally required and the amount of revenues to be received under this program could not be determined.

SUPPLEMENTAL INFORMATION SCHEDULES REQUIRED BY
GOEA

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

GENERAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2004

	<u>Programs of the General Fund</u>		<u>Total General Fund</u>
	<u>Local</u>	<u>PCOA (Act 735)</u>	
 <u>ASSETS</u>			
Cash & Cash Equivalents	\$ 84,699	\$ -	\$ 84,699
Certificates of Deposit	126,662	-	126,662
Due From Other Funds	450	-	450
 <u>TOTAL ASSETS</u>	 <u>\$ 211,811</u>	 <u>\$ -</u>	 <u>\$ 211,811</u>
 <u>LIABILITIES AND FUND BALANCE</u>			
 <u>LIABILITIES</u>			
Other Accrued Expenses	\$ 12,624	\$ -	\$ 12,624
Due To Other Funds	2,755	-	2,755
Total Liabilities	15,379	-	15,379
 <u>FUND BALANCE</u>			
Unreserved and Undesignated	196,432	-	196,432
 <u>TOTAL LIABILITIES AND FUND BALANCE</u>	 <u>\$ 211,811</u>	 <u>\$ -</u>	 <u>\$ 211,811</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

GENERAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2004

	<u>Programs of the General Fund</u>		<u>Total General Fund</u>
	<u>Local</u>	<u>PCOA (Act 735)</u>	
<u>Revenues</u>			
Intergovernmental	\$ -	\$ 95,057	\$ 95,057
Property Taxes	88,929	-	88,929
Public Support	4,224	-	4,224
Rental Income	3,026	-	3,026
Interest Income	1,790	-	1,790
Total Revenues	<u>97,969</u>	<u>95,057</u>	<u>193,026</u>
<u>Expenditures</u>			
Operating Supplies	858	-	858
Other Costs	244	-	244
Capital Outlay	3,064	-	3,064
Total Expenditures	<u>4,166</u>	<u>-</u>	<u>4,166</u>
<u>Excess of Revenues Over Expenditures</u>	93,803	95,057	188,860
<u>Other Financing Sources (Uses)</u>			
Operating Transfers Out	<u>(24,595)</u>	<u>(95,057)</u>	<u>(119,652)</u>
<u>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</u>	69,208	-	69,208
<u>Fund Balance at Beginning of Year</u>	<u>127,224</u>	<u>-</u>	<u>127,224</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 196,432</u>	<u>\$ -</u>	<u>\$ 196,432</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2004

	<u>Senior Center</u>	<u>Title III D Disease Prevention</u>	<u>Title III E Caregiver</u>
<u>ASSETS</u>			
Cash & Cash Equivalents	\$ 484	\$ 2,472	\$ 29
Receivables	-	1,489	-
<u>TOTAL ASSETS</u>	<u>\$ 484</u>	<u>\$ 3,961</u>	<u>\$ 29</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ 145	\$ 1,185	\$ 29
Due To Other Funds	339	2,776	-
Total Liabilities	<u>484</u>	<u>3,961</u>	<u>29</u>
 Fund Balances:			
Unreserved	-	-	-
Reserved for:			
Utilities Assistance	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
 <u>TOTAL LIABILITIES AND FUND BALANCES</u>	 <u>\$ 484</u>	 <u>\$ 3,961</u>	 <u>\$ 29</u>

<u>Audit Funds</u>	<u>Supplemental Senior Center</u>	<u>Utilities Assistance</u>	<u>NSIP</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ 1,064	\$ 7,967	\$ 12,016
-	-	-	-	1,489
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,064</u>	<u>\$ 7,967</u>	<u>\$ 13,505</u>
\$ -	\$ -	\$ 1,060	\$ -	\$ 2,419
-	-	-	-	3,115
<u>-</u>	<u>-</u>	<u>1,060</u>	<u>-</u>	<u>5,534</u>
-	-	-	7,967	7,967
-	-	4	-	4
<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>7,971</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,064</u>	<u>\$ 7,967</u>	<u>\$ 13,505</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2004

	Senior Center	Title III D Disease Prevention	Title III E Caregiver
<u>REVENUES</u>			
Intergovernmental:			
North Delta Regional Planning and Development District	\$ -	\$ 3,432	\$ 4,469
State Contract	20,682		
Public Support:			
LA Association of Councils on Aging	-	-	-
Client Contributions	-	-	-
Total Public Support	-	-	-
Total Revenues	20,682	3,432	4,469
<u>EXPENDITURES</u>			
Current:			
Salaries	966	863	3,367
Fringe	70	73	275
Travel	13	10	15
Operating Services	3,547	574	540
Operating Supplies	78	1,043	258
Other Costs	11	1,003	-
Total Current Expenditures	4,685	3,566	4,455
Capital Outlay	14	10	14
Utility Assistance	-	-	-
Total Expenditures	4,699	3,576	4,469
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	15,983	(144)	-
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers - In	-	144	-
Operating Transfers - Out	(15,983)	-	-
Total Other Financing Sources (Uses)	(15,983)	144	-
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	-	-	-
<u>FUND BALANCES AT BEGINNING OF YEAR</u>	-	-	-
<u>FUND BALANCES AT END OF YEAR</u>	\$ -	\$ -	\$ -

<u>Audit Funds</u>	<u>Supplemental Senior Center</u>	<u>Utilities Assistance</u>	<u>NSIP</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 953	\$ - 3,825	\$ -	\$ 22,863	\$ 31,717 24,507
-	-	13,853	-	13,853
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>13,853</u>	<u>-</u>	<u>13,853</u>
953	3,825	13,853	22,863	70,077
-	-	-	-	5,196
-	-	-	-	418
-	-	-	-	38
953	-	-	-	5,614
-	-	-	-	1,379
-	-	-	-	1,014
<u>953</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,659</u>
-	-	-	-	38
-	-	18,362	-	18,362
<u>953</u>	<u>-</u>	<u>18,362</u>	<u>-</u>	<u>32,059</u>
-	3,825	(4,509)	22,863	38,018
-	-	-	-	144
-	(3,825)	-	(22,863)	(42,671)
<u>-</u>	<u>(3,825)</u>	<u>-</u>	<u>(22,863)</u>	<u>(42,527)</u>
-	-	(4,509)	-	(4,509)
-	-	4,513	7,967	12,480
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ 7,967</u>	<u>\$ 7,971</u>

GENERAL FIXED ASSET ACCOUNT GROUP

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

SCHEDULE OF GENERAL FIXED ASSETS

JUNE 30, 2004 AND 2003

<u>GENERAL FIXED ASSETS</u>	<u>Balance June 30, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2004</u>
Building Improvements	\$ 15,410	\$ -	\$ -	\$ 15,410
Vehicles	123,085	17,899	26,629	114,355
Office Furniture and Equipment	3,744	4,158	3,799	4,103
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 142,239</u>	<u>\$ 22,057</u>	<u>\$ 30,428</u>	<u>\$ 133,868</u>
 <u>INVESTMENT IN GENERAL FIXED ASSET</u>				
Property Acquired Prior to July 1, 1985 *	\$ -	\$ -	\$ -	\$ -
Property Acquired After July 1, 1985				
With Funds From:				
Act 735 PCOA	1,598	-	-	1,598
General Fund	54,008	3,065	2	57,071
Title III- D Preventive Health	1,224	10	74	1,160
Title III- C-1	563	442	263	742
Title III- C-2	456	228	264	420
Title III- B Supportive Services	17,416	385	3,196	14,605
Title III- E Caregiver		14	-	14
Senior Center	-	14	-	14
Department of Transportation Sec. 5310 E&D	66,974	17,899	26,629	58,244
<u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u>	<u>\$ 142,239</u>	<u>\$ 22,057</u>	<u>\$ 30,428</u>	<u>\$ 133,868</u>

* Records reflecting sources from which assets were acquired were not maintained prior to July 1, 1985.

Included in additions is a van that was granted to the Council by DOTD. The total amount of the van was \$22,530 with the Council spending \$4,506 of matching funds. The difference of \$17,899 is DOTD's portion. Also, the beginning investment fixed asset amount changed by \$23,410 for the addition of a building addition for \$15,410 and the local match portion that was paid for the DOTD van for \$8,000. These items were not added in prior year when they were purchased.

OTHER SUPPLEMENTAL INFORMATION –
GRANT ACTIVITY

FRANKLIN COUNCIL ON AGING INC.
WINNSBORO, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2004

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
<u>Programs Passed Through Governor's Office of</u>				
<u>Elderly Affairs:</u>				
Department of Health & Human Services - Administration on Aging:				
Special Programs for the Aging:				
Title III, Part B - Supportive Services	93.044	\$ 45,622	\$ 45,622	\$ 45,622
Title III, Part C - Congregate Meals	93.045	43,405	43,405	43,405
Title III, Part C - Home Delivered Meals	93.045	30,629	30,629	30,629
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	3,432	3,432	3,432
Title III, Part E - National Family Caregiver Support	93.052	3,352	3,352	3,352
Nutritional Services Incentive Program	93.053	22,863	22,863	22,863
Total Department of Health and Human Services - Administration on Aging		149,303	149,303	149,303
Department of Transportation				
Federal Transit Administration				
Section 5311 - Capital Assistance		18,024	18,024	18,024
<u>TOTAL FEDERAL AWARDS</u>		\$ 167,327	\$ 167,327	\$ 167,327

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2004

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Council. The Council did not pass through any of its federal awards to a subrecipient during the year.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting used for presenting the general purpose financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

104 Regency Place

West Monroe, Louisiana 71291

Mailing Address:

P. O. Box 2474

West Monroe, LA 71294-2474

Phone (818) 323-1717

Fax (818) 322-5121

E-Mail: chcpas@bellsouth.net

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To The Board of Directors
Franklin Council on Aging, Inc.
Winnsboro, Louisiana

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Franklin Council on Aging, Inc., as of and for the year ended June 30, 2004, which collectively comprise the Council's basic financial statements and have issued our report thereon dated October 19, 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Franklin Council on Aging, 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 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 misstatement 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Franklin Council on Aging, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 test disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

To The Board of Directors
Franklin Council on the Aging, Inc.
Page Two

This report is intended solely for the information of management, the Governor's Office of Elderly Affairs and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:516, this report is distributed by the Legislative Auditor as a public document.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
October 19, 2004

FRANKLIN COUNCIL ON AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2004

To the Board of Directors
Franklin Council on the Aging, Inc.
Winnsboro, Louisiana

We have audited the financial statements of the Franklin Council on Aging, Inc. as of and for the year ended June 30, 2004, and have issued our report thereon dated October 19, 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. Our audit of the financial statements as of June 30, 2004, 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 Weakness ___ yes X no Reportable Conditions ___ yes X no

Compliance

Compliance Material to Financial Statements ___ yes X no

B. Federal Awards

Internal Control

Material Weakness ___ yes X no Reportable Conditions ___ yes X no

Type of Opinion on Compliance Unqualified ___ Qualified ___
For Major Programs (No Major Programs) Disclaimer ___ Adverse ___

Are their findings required to be reported in accordance with Circular A-133,
Section .510 (a)? NO

C. Identification of Major Programs: N/A

CFDA Number(s) Name of Federal Program (or cluster)

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

FRANKLIN COUNCIL ON THE AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2004

(Continued)

Section II- Financial Statement Findings

No matters were reported.

Section III- Federal Award Findings and Question Costs- N/A

FRANKLIN COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2004

Section I- Internal Control and Compliance Material to the Financial Statements

This section is not applicable for this entity.

Section II- Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III- Management Letter

No management letter was issued.