

9520

OFFICIAL
FILE COPY
DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

RECEIVED
LEGISLATIVE AUDITOR
30 AUG 30 AM 9:07

VERMILION ASSOCIATION FOR
RETARDED CITIZENS, INC.
ERATH, LOUISIANA

INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 SEP 11 1996

VERMILION ASSOCIATION FOR RETARDED CITIZENS, INC.

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE	2
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE	3,4
BALANCE SHEET	5
STATEMENT OF SUPPORT, REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE	6
NOTES TO THE FINANCIAL STATEMENTS	7,8



ALLEN J. LaBRY, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

ALLEN J. LaBRY, CPA
PATRICK M. GUDRY, CPA
TINA M. MILLER, CPA

July 29, 1996

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Vermilion Association for Retarded Citizens, Inc.
809 S. Severin
Erath, Louisiana 70533

I have audited the financial statements of the Vermilion Association for Retarded Citizens, Inc. for the year ended June 30, 1996 as listed in the table of contents. My audit included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances. These financial statements are the responsibility of the management. My responsibility is to express an opinion on these financial statements based upon my audit.

I conducted my audit in accordance with generally accepted auditing standards. 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 above present fairly, in all material respects, the financial position of The Vermilion Association for Retarded Citizens, Inc., at June 30, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Allen J. LaBry
Certified Public Accountant

AL:jt

PAGE 1



ALLEN J. LaBRY, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

ALLEN J. LaBRY, CPA
PATRICK M. GUDRY, CPA
LINA M. MILLER, CPA

July 29, 1996

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

Board of Directors
Vermilion Association For Retarded Citizens, Inc.
809 S. Severin
Erath, LA 70533

I have audited the financial statements of Vermilion Association For Retarded Citizens, Inc. (The Association), as of and for the year ended June 30, 1996, and have issued my report thereon dated July 29, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Association, is the responsibility of the Association's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Association's compliance with certain provisions of laws, regulations, and contracts. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. 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 Government Auditing Standards.

This report is intended for the information of the audit committee, management, and board of directors. However this report is a matter of public record and its distribution is not limited.

Allen J. LaBry
Certified Public Accountant

AL:jt

PAGE 2



ALLEN J. LABRY, CPA
A PROFESSIONAL ACCOUNTING CORPORATION

ALLEN J. LABRY, CPA
PATRICK M. GUIDRY, CPA
TINA M. MILLER, CPA

July 29, 1996

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE

Board of Directors
Vermilion Association For Retarded Citizens, Inc.
809 S Severin
Erath, LA 70533

I have audited the financial statements of Vermilion Association For Retarded Citizens, Inc. (The Association), as of and for the year ended June 30, 1996, and have issued my report thereon dated July 29, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Association is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected.

Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the

PAGE 3

effectiveness of the design and operation of policies and procedures may deteriorate.

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

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose 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 structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the audit committee, management, and board of directors. However, this report is a matter of public record and its distribution is not limited.


Allen J. LaBry
Certified Public Accountant

AL:jt

VERMILION ASSOCIATION FOR RETARDED CITIZENS, INC.
BALANCE SHEET
JUNE 30, 1996

	GENERAL FUND -----	TOTAL ALL FUNDS -----
ASSETS		

CURRENT ASSETS		
CASH (NOTE 2)	\$63,232	\$63,232
CERTIFICATES OF DEPOSIT	187,600	187,600
ACCOUNTS RECEIVABLE	11,287	11,287
NONCURRENT ASSETS		
PROPERTY, PLANT & EQUIPMENT AT COST, NET OF ACCUMULATED DEPRECIATION (NOTE 3)	29,132	29,132
DEPOSITS	11,654	11,654
	-----	-----
TOTAL ASSETS	\$302,905	\$302,905
	=====	=====
LIABILITIES AND FUND BALANCE		

CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$661	\$661
	-----	-----
TOTAL CURRENT LIABILITIES	661	661
FUND BALANCE	302,244	302,244
	-----	-----
TOTAL LIABILITIES AND FUND BALANCE	\$302,905	\$302,905
	=====	=====

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT
PAGE 5

VERMILION ASSOCIATION FOR RETARDED CITIZENS, INC.
STATEMENT OF SUPPORT, REVENUE AND EXPENSES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 1996

SUPPORT AND REVENUE

SUPPORT

SUPPORT-OFFICE OF MENTAL RETARDATION	\$97,991
CONTRIBUTIONS AND GRANTS	35,804

TOTAL SUPPORT	133,795
---------------	---------

REVENUE

PARAMAX INCOME	15,374
CLIENT WORK INCOME	19,043
INTEREST INCOME	10,267
DUES	705

TOTAL REVENUE	45,389
---------------	--------

TOTAL SUPPORT AND REVENUE

179,184

EXPENSES

AUTO EXPENSE	11,519
ACCOUNTING	2,490
CONVENTION	916
DEPRECIATION	5,632
DUES	2,028
INSURANCE	7,440
LICENSING	150
MISCELLANEOUS	807
OFFICE SUPPLIES	5,065
PLANT SUPPLIES & REPAIRS	263
POSTAGE	191
SALARIES	66,016
SALARIES-CLIENT WORK	8,494
SECURITY	457
SUPPLIES-CLIENT WORK	314
TRAINING STAFF	331
TAXES-PAYROLL	5,769
TELEPHONE	1,025
UTILITIES	2,018

TOTAL EXPENSES	120,925
----------------	---------

EXCESS (DEFICIENCY) OF SUPPORT AND

REVENUE OVER EXPENSES	58,259
-----------------------	--------

FUND BALANCE BEGINNING OF YEAR	243,985
--------------------------------	---------

TRANSFERS TO GENERAL FUND	0
---------------------------	---

FUND BALANCE END OF YEAR	\$302,244
--------------------------	-----------

NOTE 3: PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

All Property, Plant, and Equipment are stated at historical cost. Donated fixed assets are stated at their estimated fair value on the date of donation. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective asset on a straight-line basis. A summary of Plant Assets is as follows:

Buildings and Improvements	\$ 95,497
Autos	<u>36,975</u>
	132,472
Less: Accumulated Depreciation	<u>103,340</u>
	\$ 29,132
	=====

NOTE 4: ACCUMULATED UNPAID VACATION, SICK PAY AND OTHER EMPLOYEE BENEFITS

There is no unpaid vacation or sick pay.

NOTE 5: CONTRIBUTED SERVICES

There are no services contributed to the association.

NOTE 6: SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

The Association has concentrated its credit risk by maintaining deposits in banks located within the same geographic region. The maximum loss that would have resulted from that risk totaled \$55,764 for the excess of the deposit liabilities reported by banks over the amounts that would have been covered by Federal Insurance.