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**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
**Jena, Louisiana**

Financial Statements and Auditor's Report

June 30, 2004  
and for the Year Then Ended

With Comparative Totals at June 30, 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 9-15-04

**JERI SUE TOSSPON**  
Certified Public Accountant

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With Comparative Totals at June 30, 2003

**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**

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SECTION I  
FINANCIAL STATEMENTS  
REPORT ON FINANCIAL STATEMENTS

**JERI SUE TOSSPON**  
Certified Public Accountant  
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Ferriday, Louisiana 71334-0445  
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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
LaSalle Association for the Developmentally Delayed, Inc.  
Jena, Louisiana

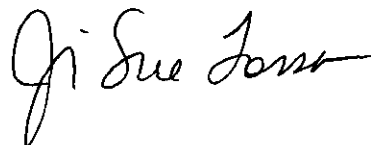
I have audited the accompanying statement of financial position of the LaSalle Association for the Developmentally Delayed, Inc., (LADD) (a non-profit corporation) as of June 30, 2004, and the related statements of activities, net assets and cash flows for the year then ended. These financial statements are the responsibility of LADD's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards generally accepted in the United States of America 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. 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 statements 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 LADD, as of June 30, 2004, and the results of its operations and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated July 27, 2004 on my consideration of LADD's internal control over financial reporting and my 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 my audit.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements of LADD. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements' and, in my opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.



Ferriday, Louisiana  
July 27, 2004

**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2004**  
**(With Comparative Totals at June 30, 2003)**

	General Fund	Work Project Fund	LADD Industries	June 30,	
				2004 Total	2003 Total
<b>ASSETS</b>					
Cash on hand and in banks	\$ 22,105	\$ 12,599	\$ 50,861	\$ 85,566	\$ 85,866
Cash in savings and certificates of deposit	37,057	86,451	25,249	148,756	98,297
Accounts receivable					
OCDD	10,145			10,145	8,677
Medicaid	9,858			9,858	2,613
Interagency	853			853	2,954
Group home	1,641			1,641	5,228
Sales			574	574	11,312
Interfund					8,000
Inventory			11,314	11,314	16,550
Fixed assets (Note 3)	9,125	3,332	41,630	54,087	73,632
<b>Total Assets</b>	<u>\$ 90,784</u>	<u>\$ 102,382</u>	<u>\$ 129,628</u>	<u>\$ 322,794</u>	<u>\$ 313,129</u>
 <b>LIABILITIES AND NET ASSETS</b>					
<b>Liabilities</b>					
Payroll taxes payable	\$ 3,201	\$ 406	\$ 180	\$ 3,787	\$ 3,787
Interfund payable					8,000
Notes payable (Note 4)			20,692	20,692	33,805
<b>Total Liabilities</b>	<u>\$ 3,201</u>	<u>\$ 406</u>	<u>\$ 20,872</u>	<u>\$ 24,479</u>	<u>\$ 45,591</u>
 <b>Net Assets</b>					
Unrestricted	\$ 87,583	\$ 101,976	\$ 108,756	\$ 298,315	\$ 267,537
<b>Total Liabilities and Net Assets</b>	<u>\$ 90,784</u>	<u>\$ 102,382</u>	<u>\$ 129,628</u>	<u>\$ 322,794</u>	<u>\$ 313,128</u>

See accompanying notes to financial statements.

**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
**STATEMENT OF ACTIVITY AND NET ASSETS**  
**YEAR ENDED JUNE 30, 2004**  
(With Comparative Totals for the Year Ended June 30, 2003)

	General Fund	Work Project Fund	LADD Industries	June 30, 2004 Total	2003 Total
<b>SUPPORT</b>					
State contracts (Note 5)	\$ 220,782			\$ 220,782	\$ 181,488
LaSalle School Interagency	11,598			11,598	11,020
Group Home	26,968			26,968	12,328
Contributions and memberships	3,931	\$ 500	\$ 4	4,435	10,094
Total Support	<u>\$ 263,279</u>	<u>\$ 500</u>	<u>\$ 4</u>	<u>\$ 263,783</u>	<u>\$ 214,930</u>
<b>REVENUE</b>					
Work project activities (Note 5)		\$ 66,311		\$ 66,311	\$ 69,489
Sales - LADD Industries			\$ 96,855	96,855	151,973
Gain (loss) on sale of assets					(3,575)
Interest	\$ 865	1,383	367	2,615	2,914
Total Revenue	<u>\$ 865</u>	<u>\$ 67,694</u>	<u>\$ 97,222</u>	<u>\$ 165,781</u>	<u>\$ 220,801</u>
Total Support and Revenue	<u>\$ 264,144</u>	<u>\$ 68,194</u>	<u>\$ 97,226</u>	<u>\$ 429,564</u>	<u>\$ 435,731</u>
<b>COST OF GOODS SOLD (Note 6)</b>			<u>\$ 69,943</u>	<u>\$ 69,943</u>	<u>\$ 97,095</u>
<b>EXPENDITURES (Note 7)</b>					
Salaries and client wages	\$ 145,995	\$ 47,815		\$ 193,810	\$ 185,859
Transportation	12,413			12,413	12,719
Rent	14,400			14,400	14,400
Insurance	18,754	1,086		19,840	14,144
Payroll taxes	11,976	4,529	\$ 687	17,192	13,887
Utilities	5,727		2,087	7,814	7,575
Training	215			215	451
Office and postage	3,782		61	3,843	3,469
Depreciation	17,557	839	1,765	20,161	20,556
Maintenance, repair and cleaning	5,247		75	5,322	5,808
Hospitalization	11,650			11,650	10,164
Equipment and supplies	951	2,368	1,145	4,464	6,144
Telephone	2,987			2,987	3,010
Travel	1,396			1,396	1,139
Interest			843	843	1,214
Professional fees	2,119			2,119	2,100
Food		328		328	326
Other - OMR reimbursible	2,307			2,307	2,921
Other - Non-OMR reimbursible (Note 7)	5,331	916	1,492	7,739	7,395
Total Expenditures	<u>\$ 262,807</u>	<u>\$ 57,881</u>	<u>\$ 8,155</u>	<u>\$ 328,843</u>	<u>\$ 313,281</u>
Excess (Deficit) of Support and Revenue over Expenditures	<u>\$ 1,337</u>	<u>\$ 10,313</u>	<u>\$ 19,128</u>	<u>\$ 30,778</u>	<u>\$ 25,355</u>
Transfer In	\$ 9,072	\$		\$ 9,072	\$ 3,819
Transfer Out		1,652	\$ 7,420	9,072	3,819
	<u>\$ 9,072</u>	<u>\$ (1,652)</u>	<u>\$ (7,420)</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Increase in Net Assets	\$ 10,409	\$ 8,661	\$ 11,708	\$ 30,778	\$ 25,355
Net Assets, Beginning of Year	<u>77,174</u>	<u>93,315</u>	<u>97,048</u>	<u>267,537</u>	<u>242,182</u>
Net Assets, End of Year	<u>\$ 87,583</u>	<u>\$ 101,976</u>	<u>\$ 108,756</u>	<u>\$ 298,315</u>	<u>\$ 267,537</u>

See accompanying notes to financial statements.

**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
**STATEMENT OF CASH FLOWS**  
**TOTAL - ALL FUNDS**  
**YEAR ENDED JUNE 30, 2004**  
**(With Comparative Totals for the Year Ended June 30, 2003)**

	June 30,	
	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 30,778	\$ 25,355
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	20,161	20,556
(Increase) decrease in:		
Accounts receivable	7,713	(14,088)
Inventory	5,236	(12,329)
Increase (decrease) in:		
Accrued payroll tax	0	9
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ 63,888</u>	<u>\$ 19,503</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment	<u>\$ (615)</u>	<u>\$ (1,884)</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>\$ (615)</u>	<u>\$ (1,884)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of debt	<u>\$ (13,114)</u>	<u>\$ (12,743)</u>
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>\$ (13,114)</u>	<u>\$ (12,743)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u>\$ 50,159</u>	<u>\$ 4,876</u>
<b>CASH AT BEGINNING OF YEAR</b>	<u>184,163</u>	<u>179,287</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 234,322</u></u>	<u><u>\$ 184,163</u></u>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Interest paid	\$ 843	\$ 1,214

See accompanying notes to financial statements.



**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2004**

**NOTE 1 - LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED**

LaSalle Association for the Developmentally Delayed, Inc., (LADD) was organized in 1976 to promote the general welfare of retarded citizens wherever they may be, and, specifically, to provide as normal a work and learning atmosphere in the least restrictive environment for retarded adults in LaSalle Parish. The Association receives funding from the State of Louisiana, Office for Citizens with Developmental Disabilities (OCDD), the Louisiana Medicaid Program, the LaSalle Parish School Board, performs services for the general public under its Work Project program, and receives funds for other activities from memberships and contributions. In 1991, the Association began operations of LADD Industries to provide further supported employment opportunities for its clients.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Fund Accounting**

In order to ensure observance of limitations and restrictions placed on the use of resources available to LADD, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund and, accordingly, all financial transactions have been recorded and reported in the following fund groups:

**General Fund** - Resources are provided under several contracts from the State of Louisiana and the LaSalle Parish School Board, based on the days or types of services provided, and by other sources such as interest, contributions, and membership dues. Expenditures are of a nature of those specified by the State in its *Guidelines for Allowable Costs* from the OCDD, except as noted hereafter.

**Work Project Fund and LADD Industries Fund** - Resources are provided as fees for services performed by or sales of products made by the clients and interest and are used to pay wages to the clients and other costs as needed for these services, including the purchase of the LADD Industries building.

B. Income Tax Status

LADD qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for income taxes.

NOTE 3 - FIXED ASSETS AND DEPRECIATION

During past years, LADD received several vans through the Urban Mass Transit Act grant, Section 16(b)(2) program, through the Louisiana Department of Transportation (DOTD). LADD has capitalized their 20 to 30% matching portions of the vans in addition to the 70 to 80% in-kind grant funds received. The DOTD holds a reversionary interest in the vans. Fixed assets consist of these vans and other small items. Ownership of all fixed assets in the general fund of LADD would revert to the Department of Health and Hospitals, OCDD, if LADD were to cease to function. Depreciation is provided on a straight-line basis over various lives recommended by the OCDD.

There are also fixed assets owned by Work Project in the amounts of \$5,551 in 2004 and \$4,935 in 2003 and by LADD Industries in the amount of \$69,310 in 2004 and in 2003 respectively, including the LADD Industries building and real estate in the amount of \$54,735. Depreciation on these assets is provided on the straight-line basis over their useful life.

	Balance June 30, 2003	<u>Additions</u>	<u>Retirements</u>	Balance June 30, 2004
General Fund	\$ 91,313			\$ 91,313
Work Project Fund	4,935	\$ 616		5,551
Ladd Industries	<u>69,310</u>			<u>69,310</u>
	\$165,558	<u>\$ 616</u>		\$166,174
Less Accumulated Depreciation	<u>91,926</u>	<u>20,161</u>		<u>112,087</u>
	<u>\$ 73,632</u>	<u>(\$19,545)</u>	<u>\$ -0-</u>	<u>\$ 54,087</u>

NOTE 4 - NOTES PAYABLE

Notes payable consist of the following:

LADD Industries - Small Business Administration  
secured by mortgages on the LADD Industries building  
and inventories, bearing interest at 3%, payments of  
\$1,163 per month

\$ 20,692

The future scheduled maturities of long-term debt are as follows:

Years ended June 30,

2005	13,326
2006	<u>7,366</u>
	<u>\$ 20,692</u>

NOTE 5 - SUPPORT AND REVENUE

State support in the general fund was as follows:

OCDD - Day Habilitation Program	\$118,520
Medicaid Title XIX Program	<u>102,262</u>
	<u>\$181,488</u>

There are also clients accepted through an interagency agreement with the LaSalle Parish School Board and by contract with a group home facility in Jena.

Ladd Industries has been involved in the assembly of U S Government Wash Kits (through the aid of the National Industries for the Severely Handicapped Organization), assembly of admission kits for sale to local hospitals, the resale of clothing and other items, and fabrication of crawfish nets for retail and wholesale sale.

NOTE 6 - COST OF GOOD SOLD

Cost of good sold is made up of the following:

Beginning inventory		\$ 16,550
Add: Cost of production		
Labor	\$ 16,297	
Materials	28,150	
Freight	116	
Taxes	1,615	
Other	<u>1,685</u>	<u>47,863</u>
Total goods available for sale		\$ 64,413
Less: Ending inventory		<u>11,314</u>
Cost of goods sold - manufactured items		\$ 53,099
Items bought for resale		<u>16,844</u>
Total cost of goods sold		<u>\$ 69,943</u>

NOTE 7 - EXPENDITURES

Expenditures in the general fund were made in accordance with the specifications listed by the Office for Citizens with Developmental Disabilities in their *Guidelines for Allowable Costs - Adult Day Services for Persons with Developmental Disabilities*, except as follows:

Directors Fees	\$ 1,890
Applicable payroll taxes	147
Depreciation	13,939
Other (net)	<u>3,294</u>
	<u>\$19,270</u>

These costs were not paid with state funds, but by local funds raised by LADD.

NOTE 8 - PENSION PLAN

LADD does not have a retirement plan for its employees.

NOTE 9 - LITIGATION

LADD is not involved in any litigation as of June 30, 2004.

NOTE 10 - CONCENTRATION OF CREDIT RISK FOR CASH DEPOSITS

As of June 30, 2003, the Association had deposits on hand with Southern Heritage Bank in the amount of \$237,286 (bank balance) in various checking and savings accounts and certificates of deposit. The amount of FDIC insurance maintained by the bank for these accounts is \$100,000 leaving \$137,286 of excess deposits over insurance. The Board of Directors reviews the Bank's financial statements each year to inform themselves as to the financial stability of the Bank.

SECTION II  
REPORT ON COMPLIANCE  
AND INTERNAL CONTROL

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Certified Public Accountant  
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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  
LaSalle Association for the Developmentally Delayed, Inc.  
Jena, Louisiana

I have audited the financial statements of LaSalle Association for the Developmentally Delayed, Inc., as of June 30, 2004, and for the year then ended, and have issued my report thereon dated July 27, 2004. I conducted my audit in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether LaSalle Association for the Developmentally Delayed, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contract 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 *Government Auditing Standards*.

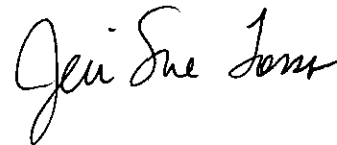
Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements of the Association, I considered its internal control structure 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

To the Board of Directors  
LaSalle Association for the Developmentally Delayed, Inc.  
Page Two

control structure would not necessarily disclose all matters in the internal control structure 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 structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in cursive script, reading "Jean Sue Jones".

Ferriday, Louisiana  
July 27, 2004

SECTION III  
SUPPLEMENTAL INFORMATION



**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.  
SCHEDULE OF DIRECTOR'S COMPENSATION  
YEAR ENDED JUNE 30, 2004**

Cleveland Riser, President

\$ 1,890