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**THE GRIEF CENTER OF
SOUTHWEST LOUISIANA, INC.**

Financial Report

For the Years Ended December 31, 2003 and 2002

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

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Grief Center of Southwest Louisiana, Inc.
Lafayette, Louisiana

We have audited the accompanying statements of financial position of The Grief Center of Southwest Louisiana, Inc. as of December 31, 2003 and 2002, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with 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 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Grief Center of Southwest Louisiana, Inc., as of December 31, 2003 and 2002, and the changes in its net assets and its cash flows for the years 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 a report dated June, 11, 2004 on our consideration of The Grief Center of Southwest Louisiana, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying information listed as "Supplemental Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of The Grief Center of Southwest Louisiana, Inc. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to such financial statements taken as a whole.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 11, 2004

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FINANCIAL STATEMENTS

THE GRIEF CENTER OF SOUTHWEST LOUISIANA, INC.
Lafayette, Louisiana

Statements of Financial Position
December 31, 2003 and 2002

	<u>2003</u>	<u>2002</u>
ASSETS		
Current assets:		
Cash & cash equivalents	\$60,444	\$ 16,702
Prepaid insurance	<u>5,230</u>	<u>4,216</u>
Total current assets	<u>65,674</u>	<u>20,918</u>
Non-current assets:		
Equipment	15,911	9,845
Leasehold Improvements	14,482	14,482
Accumulated depreciation	<u>(18,399)</u>	<u>(11,994)</u>
Total non-current assets	<u>11,994</u>	<u>12,333</u>
Total assets	<u>\$77,668</u>	<u>\$33,251</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 8,297	\$ 358
Payroll withholdings payable	<u>1,852</u>	<u>1,812</u>
Total current liabilities	<u>10,149</u>	<u>2,170</u>
Net assets:		
Unrestricted	<u>67,519</u>	<u>31,081</u>
Total net assets	<u>67,519</u>	<u>31,081</u>
Total liabilities and net assets	<u>\$77,668</u>	<u>\$33,251</u>

The accompanying notes are an integral part of this statement.

THE GRIEF CENTER OF SOUTHWEST LOUISIANA, INC.
Lafayette, Louisiana

Statements of Activities
For the Years Ended December 31, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Changes In Unrestricted Net Assets:		
Grants -		
Local:		
Lafayette Consolidated Government	\$ 15,600	\$ 15,574
Junior League of Lafayette	7,081	1,003
Stuller	5,000	-
Gannet Foundation	-	7,500
Lafayette Parish Medical Auxiliary	-	2,500
Others	5,227	2,617
State grants	7,442	-
Contributions from supporters	67,657	44,197
Fundraising	36,900	23,060
Donated facilities	29,136	29,136
Interest income	10	47
Loss on disposal of equipment	-	(792)
Other income	3,284	3,904
Total income	<u>177,337</u>	<u>128,746</u>
Expenses:		
Program services	114,974	116,390
General and administrative	17,011	15,529
Fundraising expense	8,914	10,011
Total expenses	<u>140,899</u>	<u>141,930</u>
Increase (decrease) in unrestricted net assets	36,438	(13,184)
Unrestricted net assets, beginning of year	<u>31,081</u>	<u>44,265</u>
Unrestricted net assets, end of year	<u>\$ 67,519</u>	<u>\$ 31,081</u>

The accompanying notes are an intergral part of this statement.

THE GRIEF CENTER OF SOUTHWEST LOUISIANA, INC.
Lafayette, Louisiana

Statement of Functional Expenses
For the Year Ended December 31, 2003
With Comparative Totals For the Year Ended December 31, 2002

	2003			2002 Totals	
	Program Services	General & Administrative	Fundraising		Totals
Salaries and wages	\$ 67,597	\$ -	\$ -	\$ 67,597	\$ 72,020
Audit	-	1,100	-	1,100	1,100
Backgrounds	546	-	-	546	344
Bank service charge	-	159	-	159	35
Depreciation	-	6,405	-	6,405	6,249
Facilities rent (donated)	29,136	-	-	29,136	29,136
Fundraising expense	-	-	8,914	8,914	10,011
Insurance	9,260	-	-	9,260	4,712
Miscellaneous	200	58	-	258	91
Moving Expense	-	-	-	-	118
Office expense	-	450	-	450	1,064
Other expense	-	915	-	915	772
Postage	-	1,033	-	1,033	1,364
Printing	-	224	-	224	316
Repairs and maintenance	-	30	-	30	545
Secretary	-	3,204	-	3,204	-
Supplies	1,977	898	-	2,875	3,118
Taxes - payroll	5,358	-	-	5,358	6,446
Telephone	-	1,944	-	1,944	2,309
Travel	-	51	-	51	136
Training	-	540	-	540	1,144
Utilities	900	-	-	900	900
Total expenses	<u>\$ 114,974</u>	<u>\$ 17,011</u>	<u>\$ 8,914</u>	<u>\$ 140,899</u>	<u>\$ 141,930</u>

The accompanying notes are an intergral part of this statement.

THE GRIEF CENTER OF SOUTHWEST LOUISIANA, INC.
Lafayette, Louisiana

Statements of Cash Flows
For the Years Ended December 31, 2003 and 2002

	<u>2003</u>	<u>2002</u>
Cash Flows From Operating Activities:		
Increase (decrease) in net assets	<u>36,438</u>	<u>\$(13,184)</u>
 Adjustments to reconcile change in net assets to net cash provided (used) by operating activities-		
Depreciation	6,405	5,378
Increase in prepaid expenses	(1,014)	(624)
Increase (decrease) in payables	<u>7,979</u>	<u>(3,147)</u>
Total adjustments	<u>13,370</u>	<u>1,607</u>
 Net cash provided (used) by operating activities	<u>49,808</u>	<u>(11,577)</u>
 Cash Flows From Operating Activities:		
Equipment	<u>(6,066)</u>	<u>(6,247)</u>
Net cash used by investing activities	<u>(6,066)</u>	<u>(6,247)</u>
 Net increase (decrease) in cash and cash equivalents	43,742	(17,824)
 Cash and cash equivalents, beginning of year	<u>16,702</u>	<u>34,526</u>
 Cash and cash equivalents, end of year	<u>\$60,444</u>	<u>\$ 16,702</u>

The accompanying notes are an integral part of this statement.

THE GRIEF CENTER OF SOUTHWEST LOUISIANA, INC.
Lafayette, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The Grief Center of Southwest Louisiana, Inc. (a not-for-profit organization) was incorporated on January 17, 1996. The Organization's primary purpose is to provide a safe place for grieving children, teens, and their families as they share their experiences and move through the healing process and to extend education and support services into the community. The Organization provides support groups for children and adults accompanying the children, and training opportunities for professional and volunteers in health care, counseling, ministry, and related fields.

B. Basis of Accounting and Presentation

The financial statements have been prepared on the accrual basis of accounting and are presented in accordance with SFAS No. 117. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

C. Statement of Cash Flows

For purposes of the statement of cash flows, the Organization considers all highly liquid interest-bearing deposits with maturity of three months or less when purchased to be cash equivalents.

D. Grants Receivable/Deferred Revenues

Grants receivable and deferred revenues from grants and other support are recognized only to the extent that related expenses have been incurred.

E. Prepaid Insurance

Payments made to vendors for coverage that will benefit periods beyond December 31, 2003 are recorded as prepaid insurance.

F. Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. Donor

THE GRIEF CENTER OF SOUTHWEST LOUISIANA, INC.
Lafayette, Louisiana

Notes to Financial Statements (Continued)

restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using risk-free discount rates applicable to the years in which the promises are to be received.

G. Income Tax Status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. The Organization is not classified as a private foundation.

H. Donated Services and Materials

A substantial number of volunteers have donated time and/or material to the Organization's program and supporting services. No amounts have been included in the financial statements for the donated services of volunteers because the criteria for recognition of such volunteer effort under Statement of Financial Accounting Standards (SFAS) No. 116 have not been satisfied. Other donated services are stated at their estimated fair value on the date donated.

I. Equipment

Equipment is valued at cost or fair market value, if donated. Depreciable assets are depreciated using the straight-line method over the estimated useful lives of the individual assets as follows:

Equipment	7 years
Computer	5 years

J. Functional Expenses

Expenses are charged to each program based on direct expenditures incurred. Any program expenditures not directly chargeable are allocated to programs based on units of service.

THE GRIEF CENTER OF SOUTHWEST LOUISIANA, INC.
Lafayette, Louisiana

Notes to Financial Statements (Continued)

K. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Donated Facilities

The use of The Grief Center of Southwest Louisiana, Inc.'s facilities has been donated by The First United Methodist Church. The estimated rental value of this facility has been reflected in the accompanying financial statements as public support with a like amount shown as facilities rent. The approximate fair value of rent for 2003 and 2002 was \$29,136 and \$29,136 respectively.

(3) Risk Management

The Grief Center is exposed to risks of loss in the areas of general liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year. Insurance settlements have not exceeded insurance coverage the past three years.

SUPPLEMENTARY INFORMATION

**COMPLIANCE
AND
INTERNAL CONTROL**

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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

The Board of Directors
The Grief Center of Southwest Louisiana, Inc.
Lafayette, Louisiana

We have audited the financial statements of The Grief Center of Southwest Louisiana, Inc. as of and for the year ended December 31, 2003, and have issued our report thereon dated June 11, 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.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The Grief Center of Southwest Louisiana, 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. However, we noted certain matters involving internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. A reportable condition is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as item 00-1(IC).

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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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is a material weakness.

This report is intended solely for the information and use of the management, Board of Directors, and Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited. Also, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 11, 2004

THE GRIEF CENTER OF SOUTHWEST LOUISIANA, INC.
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
December 31, 2003

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Date Of Completion</u>
CURRENT YEAR (12/31/03) --						
<u>Internal Control:</u>						
00-1(1C)	2000	Due to the small number of employees, there was inadequate segregation of accounting functions.	No	Based upon current operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.		
PRIOR YEAR (12/31/02) --						
<u>Internal Control:</u>						
00-1(1C)	2000	Due to the small number of employees, there was inadequate segregation of accounting functions.	No			