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Rapides Station
Community Ministries, Inc.
Alexandria, Louisiana

Financial Statements
December 31, 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 9-29-04

KNIGHT \diamond MASDEN

Certified Public Accountants

A PROFESSIONAL ACCOUNTING CORPORATION

Coan I. Knight, Jr., CPA
K. Martin Masden, CPA
John E. Theriot II, CPA

Associate:
Fredericka A. James, CPA

August 27, 2004

Board of Directors
Rapides Station Community Ministries, Inc.
Alexandria, Louisiana

We have compiled the accompanying statement of financial position of the Rapides Station Community Ministries, Inc. (a not-for-profit-corporation) as of December 31, 2003, and the related statements of activity and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Ministries' financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Knight - Masden

KNIGHT \diamond MASDEN

Rapides Station Community Ministries, Inc.
Statement of Financial Position
As of December 31, 2003

Assets

Current Assets	
Cash and cash equivalents	\$ 8,600
Accounts receivable	<u>16,129</u>
Total Current Assets	<u>24,729</u>
Equipment net of depreciation	<u>10,239</u>
Total Assets	<u><u>\$ 34,968</u></u>

Liabilities and Net Assets

Current Liabilities	
Accounts payable	\$ 2,468
Accrued liabilities	<u>2,041</u>
Total Current Liabilities	<u>4,509</u>
Net Assets	
Unrestricted	3,723
Temporarily restricted	<u>26,736</u>
Total Net Assets	<u>30,459</u>
Total Liabilities and Net Assets	<u><u>\$ 34,968</u></u>

Rapides Station Community Ministries, Inc.
Statement of Activity
For the Year Ended December 31, 2003

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Public Support and Revenues			
Grants	\$ -	\$ 168,731	\$ 168,731
Donations	5,238		5,238
Total Public Support and Revenues	<u>5,238</u>	<u>168,731</u>	<u>173,969</u>
Reclassifications			
Net assets released from restrictions	<u>168,546</u>	<u>(168,546)</u>	
Total Public Support, Revenues and Reclassifications	<u>173,784</u>	<u>185</u>	<u>173,969</u>
Expenses			
Salaries	118,571		118,571
Employee Benefits	2,007		2,007
Purchased Professional & Technical Service	2,890		2,890
Purchased Property Services	8,318		8,318
Other Purchased Services	7,146		7,146
Supplies	25,273		25,273
Indirect Costs	7,033		7,033
Total expenses	<u>171,238</u>		<u>171,238</u>
Change in net assets	2,546	185	2,731
Net assets - beginning of year	3,925	26,551	30,476
Net Assets - prior year adjustment	<u>(2,748)</u>		<u>(2,748)</u>
Net assets - end of year	<u>\$ 3,723</u>	<u>\$ 26,736</u>	<u>\$ 30,459</u>

Rapides Station Community Ministries, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2003

Change in net assets	\$ 2,731
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Increase in accounts receivable	(6,280)
Decrease in accounts payable and accrued liabilities	<u>(2,359)</u>
Net cash provided (used) by operating activities	<u>(5,908)</u>
Net decrease in cash and cash equivalents	(5,908)
Cash and cash equivalents as of beginning of year	17,256
Prior year adjustment	<u>(2,748)</u>
Cash and cash equivalents as of end of year	<u><u>\$ 8,600</u></u>

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Independent Accountant's Report On Applying Agreed-Upon Procedures

Board of Trustees
Rapides Station Community Ministries Inc.

We have performed the procedures included in the Louisiana Governmental Audit Guide and enumerated below, which were agreed to by the management of the Rapides Station Community Ministries, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Rapides Station Community Ministries, Inc.'s compliance with certain laws and regulations during the year ended December 31, 2003 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Rapides Station Community Ministry, Inc.'s Federal award expenditures for all Federal programs for the fiscal year follow:

Federal Grant Name	Grant Year	CFDA No.	Amount
Temporary Assistance for Needy Families	2002-2003	93.558	\$ 32,070
Temporary Assistance for Needy Families	2003-2004	93.558	\$ 101,437
Total Expenditures			\$ 133,507

Board of Directors
Rapides Station Community Ministries, Inc.

Rapides Station Community Ministry, Inc.'s State award expenditures for all State programs for the fiscal year follow:

State Grant Name	Grant Year	Amount
Governors Safe & Drug Free Program	2002-2003	\$19,772
Governor's Safe & Drug Free Program	2003-2004	\$15,267
Total Expenditures		\$35,039

2. For each Federal, state, and local award, we randomly selected six (6) disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the 18 items selected in procedure 2, we traced the disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the selected disbursements and, except as noted below, found that payment was for the proper amount and made to the correct payee. We found that three of the disbursements for SAFE, checks 1403, 1439 and 1446 for a total of \$209.93 and one for TANF, check 1530 for \$7.03 did not have supporting documentation.

4. For the items selected in procedure 2, we determined if the selected disbursements were properly coded to the correct fund and general ledger account.

Sixteen of the payments were properly coded to the correct fund and general ledger account. Two of the disbursements, check 1526 and check 1530, were coded to the wrong general ledger account. Check 1526 should have been coded to purchased services and was improperly coded to purchased property and check 1530 should have been coded to indirect cost and was improperly coded to salaries.

5. For the items selected in procedure 2, we determined whether the selected disbursements received approval from proper authorities.

Inspection of documentation supporting each of the selected disbursements did not indicate approval before payment from the executive director or other proper authorization. All of the checks relating to these disbursements were signed by

**Board of Directors
Rapides Station Community Ministries, Inc.**

the executive director and one other board member. All disbursements were within the approved budget.

6. For the items selected in procedure 2: For federal, state and local awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the specific grant agreements, relating to:

Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed. All disbursements were for allowable activities.

Eligibility:

We reviewed the previously listed disbursements for eligibility requirements. All expenditures were made within the grant period and for the budget purposes.

Reporting:

We reviewed the previously listed disbursements for reporting requirements. As of December 31, 2003, all reports had been furnished to the grantor agency.

Meetings

7. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Rapides Station Community Ministries, Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of the Rapides Station Community Ministries' office building. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion.

Comprehensive Budget

8. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Rapides Station Community Ministries, Inc. provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously.

Board of Directors
Rapides Station Community Ministries, Inc

These budgets specified the anticipated use of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

Compliance with Laws

9. The compilation report is required by LSA-R.S. 24:513 to be submitted to the Legislative Auditor within six months of the entity's fiscal year end.

The report for Rapides Station Community Ministries was not submitted in a timely manner.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Rapides Station Community Ministries, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Sincerely,

Knight-Masden

KNIGHT & MASDEN

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)
January 16, 2004 (Date Transmitted)

From: Rapides Station Community Ministry, Inc.

To: Knight-Masden CPAs (Auditors)

In connection with your compilation of our financial statements as of December 31, 2003 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of January 16, 2004. (date of completion/representation).

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [] No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [] No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [] No []

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

Raymond R. Smith Secretary Raymond R. Smith Date

Treasurer _____ Date

[Signature] President Joe Green Date

Rapides Station Community Ministry, Inc.
P. O. Box 8233
Alexandria, LA 71306

Management's Plan of Corrective Action

August 27, 2004

Rapides Station Community Ministries, Inc. respectfully submits the following corrective action plan for the year ended December 31, 2003.

Name and address of independent public accounting firm: Knight & Masden Certified Public Accountants, APAC, 5615J Jackson Street, Alexandria, LA 71303.

Compilation period: January 1, 2003 to December 31, 2003

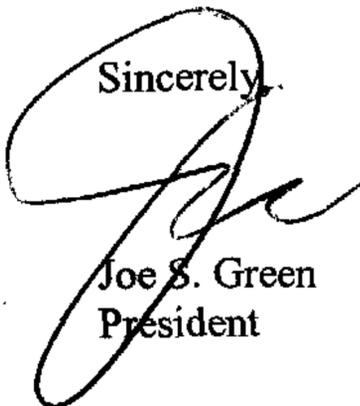
The findings from the December 31, 2003 report on applying agreed-upon procedures are numbered consistently with the numbers assigned in the report.

Reportable conditions

3. Management will review the procedures for approval and storage of supporting documentation and discuss with personnel how to improve these procedures.
4. Management will instruct responsible personnel to review the grant requirements as to proper coding of disbursements in the general ledger.
5. Management will implement procedure for approval of all disbursements by the executive director.
9. Management will submit the report to the Legislative Auditor within six months of our year end.

If the Legislative Auditor has any questions regarding this plan, please call Joe Green at 613-2009.

Sincerely,



Joe S. Green
President