

**FRANKLIN ASSOCIATION  
FOR RETARDED CITIZENS, INC.**

**Financial Statements  
June 30, 2017 and 2016**

FRANKLIN ASSOCIATION FOR RETARDED CITIZENS, INC.

JUNE 30, 2017 AND 2016

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# HUFFMAN & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)  
CERTIFIED PUBLIC ACCOUNTANTS

Francis I. Huffman, CPA  
David Ray Soignier, CPA, MBA, CGMA

John Herman, CPA  
Lynn Andries, CPA, CGMA  
Esther Atteberry, CPA  
Lori Woodard, MBA, CPA, CGMA, CITP  
Katie Jacola, CPA  
Lesley Engolia, CPA

## ACCOUNTANTS' COMPILATION REPORT

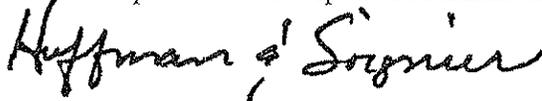
**The Board of Directors**  
**Franklin Association for Retarded Citizens, Inc.**  
**Winnsboro, Louisiana**

Management is responsible for the accompanying financial statements of Franklin Association for Retarded Citizens, Inc. (a nonprofit corporation) (the Association), which comprise the statements of financial position as of June 30, 2017 and 2016 and the related statements of activities, statements of functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The supplementary information contained in the schedule of agency head compensation, benefits, and other payments to agency head, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. The information was subject to the compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

We are not independent with respect to Franklin Association for Retarded Citizens, Inc.



(A Professional Accounting Corporation)

October 24, 2017

**FRANKLIN ASSOCIATION FOR RETARDED CITIZENS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**

	<b>June 30,</b>	<b>June 30,</b>
	<b>2017</b>	<b>2016</b>
<b>ASSETS</b>		
Cash	\$ 17,454	\$ 46,784
Accounts Receivable	3,014	3,997
Prepaid Garnishment	1,430	1,430
Land, Buildings and Equipment	115,466	115,466
Accumulated Depreciation	(104,212)	(103,558)
<b>TOTAL ASSETS</b>	<b>\$ 33,152</b>	<b>\$ 64,119</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 173	\$ 1,113
Payroll Taxes Payable	1,716	1,458
Note Payable - Line of Credit	-	-
Total Liabilities	1,889	2,571
<b>Net Assets</b>		
Unrestricted	31,263	61,548
Total Net Assets	31,263	61,548
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 33,152</b>	<b>\$ 64,119</b>

See Accountants' Compilation Report and Selected Information.

**FRANKLIN ASSOCIATION FOR RETARDED CITIZENS, INC.  
STATEMENTS OF ACTIVITIES**

	Years Ended June 30,	
	2017	2016
<b>UNRESTRICTED NET ASSETS</b>		
<b>Public Support</b>		
Intergovernmental	\$ 73,099	\$ 96,092
Total Public Support	73,099	96,092
<b>Revenue</b>		
Sales and Service Fees	11,679	10,982
Total Revenue	11,679	10,982
<b>Other Support</b>		
Net Assets Released from Time Restrictions	-	-
Total Public Support and Revenue and Other Support	84,778	107,074
<b>Expenses</b>		
Program Services:		
Vocational Training	78,308	65,346
Bertha Nelson Work Activity Center	14,666	14,399
Total Program Services	92,974	79,745
Supporting Services:		
Management and General	22,089	23,060
Total Supporting Services	22,089	23,060
Total Expenses	115,063	102,805
<b>Increase (Decrease) in Unrestricted Net Assets</b>	(30,285)	4,269
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Net Assets Released from Time Restrictions	-	-
<b>Increase (Decrease) in Temporarily Restricted Net Assets</b>	-	-
<b>Increase (Decrease) in Net Assets</b>	(30,285)	4,269
<b>Net Assets at Beginning of Year</b>	61,548	57,279
<b>NET ASSETS AT END OF YEAR</b>	\$ 31,263	\$ 61,548

See Accountants' Compilation Report and Selected Information.

**FRANKLIN ASSOCIATION FOR RETARDED CITIZENS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**

For the Year Ended June 30, 2017

	Program Services			Supporting Services	
	Bertha Nelson			Management and General	Total Expenses
	Vocational Training	Work Activity Center	Total		
Salaries	\$ 58,629	\$ 3,341	\$ 61,970	\$ 8,137	\$ 70,108
Payroll Taxes	4,983	-	4,983	147	5,131
Total Salaries and Related Expenses	63,613	3,341	66,954	8,284	75,238
Bank Fees	-	-	-	6	6
Insurance	6,263	3,658	9,921	645	10,566
Maintenance & Repairs	720	-	720	-	720
Office Supplies and Postage	-	-	-	2,656	2,656
Professional Fees	-	-	-	6,473	6,473
Supplies	858	3,434	4,292	-	4,292
Taxes and Licenses	-	-	-	1,060	1,060
Telephone	-	-	-	2,742	2,742
Travel & Seminar	100	-	100	-	100
Utilities	-	4,233	4,233	223	4,456
Vehicle Expense	6,100	-	6,100	-	6,100
Total	77,654	14,666	92,320	22,089	114,409
<b>Depreciation of Buildings and Equipment</b>	654	-	654	-	654
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 78,308</b>	<b>\$ 14,666</b>	<b>\$ 92,974</b>	<b>\$ 22,089</b>	<b>\$ 115,063</b>

See Accountants' Compilation Report and Selected Information.

**FRANKLIN ASSOCIATION FOR RETARDED CITIZENS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**

	For the Year Ended June 30, 2016				
	Program Services			Supporting Services	
	Bertha Nelson Work Activity Center			Management and General	Total Expenses
	Vocational Training	Total	Total	Total	Total
Salaries	\$ 47,520	\$ 2,792	\$ 50,312	\$ 8,137	\$ 58,449
Payroll Taxes	4,108	-	4,108	147	4,255
Total Salaries and Related Expenses	51,628	2,792	54,420	8,284	62,704
Bank Fees	-	-	-	250	250
Contract Services	300	-	300	-	300
Insurance	6,218	3,658	9,876	687	10,563
Maintenance & Repairs	850	-	850	-	850
Office Supplies and Postage	-	-	-	1,961	1,961
Professional Fees	-	-	-	8,919	8,919
Supplies	803	3,211	4,014	-	4,014
Taxes and Licenses	-	-	-	857	857
Telephone	-	-	-	1,853	1,853
Training	60	-	60	-	60
Travel & Seminar	315	-	315	-	315
Utilities	-	4,738	4,738	249	4,987
Vehicle Expense	4,564	-	4,564	-	4,564
Total	64,738	14,399	79,137	23,060	102,197
Depreciation of Buildings and Equipment	608	-	608	-	608
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 65,346</b>	<b>\$ 14,399</b>	<b>\$ 79,745</b>	<b>\$ 23,060</b>	<b>\$ 102,805</b>

See Accountants' Compilation Report and Selected Information.

**FRANKLIN ASSOCIATION FOR RETARDED CITIZENS, INC.**  
**STATEMENTS OF CASH FLOWS**

	<b>Years Ended June 30,</b>	
	<b>2017</b>	<b>2016</b>
<b>Cash Flows From Operating Activities</b>		
Increase (decrease) in net assets	\$ (30,285)	\$ 4,269
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	654	608
Changes in assets and liabilities:		
Accounts receivable	983	(741)
Prepaid garnishment	-	(1,430)
Accounts payable	(940)	573
Payroll taxes payable	258	-
Total adjustments	955	(990)
Net cash provided (used) by operating activities	(29,330)	3,279
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant, & equipment		(736)
Net cash used by investing activities	-	(736)
<b>Cash Flows From Financing Activities</b>		
	-	-
<b>Increase (Decrease) in Cash</b>	(29,330)	2,543
<b>Cash at Beginning of Year</b>	46,784	44,241
<b>Cash at End of Year</b>	\$ 17,454	\$ 46,784

See Accountants' Compilation Report and Selected Information.

**FRANKLIN ASSOCIATION FOR RETARDED CITIZENS, INC.**  
**SELECTED INFORMATION - Substantially All Disclosures Required By**  
**Generally Accepted Accounting Principles Are Not Included**  
**For the Years Ended June 30, 2017 and 2016**

**Note 1- Financial Stability**

The Association was required by its overseeing state agency to hire a third employee during the fiscal year to assist with the instruction of clientele. As a result of this added payroll expense, along with other increased expenses, total expenditures in the fiscal year ended June 30, 2017 exceeded those of June 30, 2016 by approximately \$12,000. Additionally, with the loss of two clients, and the instigation of new hourly billing procedures directly based on client activity, the Association's total revenue decreased approximately \$23,000 from the prior fiscal year, thereby resulting in a total decrease in net assets of \$30,285. The Association's cash balance decreased from \$46,784 at June 30, 2016 to \$17,454 in June 30, 2017, which indicates that the Association will not be able to continue operating unless an arrangement can be made with the state agency for increased funding. If the state is not able to increase the Association's clientele or provide adequate funding for its operations, it is doubtful that the Association will be able to continue its operations.

Management will continue to work with the state to request additional funding and clientele so that the Association can continue its ongoing operations in the future.

**FRANKLIN ASSOCIATION FOR RETARDED CITIZENS, INC.**  
**Schedule of Compensation, Benefits, and**  
**Other Payments to Agency Head**  
**For the Year Ended June 30, 2017**

Agency Head Name:

JoAnn Livingston, Director

Purpose

Salary	\$	38,484
Reimbursements		880

See Accountants' Compilation Report and Selected Information.