

**BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, LLC**

Bayou Pigeon, Louisiana

**FINANCIAL REPORT**

(Compiled)

September 30, 2017

# **BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, LLC**

Bayou Pigeon, Louisiana

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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Bayou Pigeon Volunteer Fire & Rescue Services, LLC  
Bayou Pigeon, Louisiana

### Compilation of 2017 Financial Statements

Management is responsible for the accompanying financial statements of the **BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, INC.** (a non-profit organization) (Department), which comprise the statement of financial position as of September 30, 2017 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement 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.

The supplementary information contained in Schedule 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such supplementary information.

### Review of 2016 Financial Statements

We have reviewed the accompanying financial statements of **BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, LLC** (a nonprofit organization), which comprise the statement of financial position as of September 30, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

*Accountants' Responsibility*

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

*Accountants' Conclusion*

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements for them to be in accordance with U.S. GAAP.

*Faulk & Winkler, LLC*  
Certified Public Accountants

Baton Rouge, Louisiana  
March 21, 2018

## BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, LLC

Bayou Pigeon, Louisiana

### STATEMENTS OF FINANCIAL POSITION

September 30, 2017 and 2016

(See Independent Accountants' Compilation Report)

#### ASSETS

	<u>2017</u> <u>(Compiled)</u>	<u>2016</u> <u>(Reviewed)</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 96,327	\$ 35,644
Due from Iberville Parish Council	<u>23,876</u>	<u>32,032</u>
 Total current assets	 120,203	 67,676
 <b>PROPERTY AND EQUIPMENT, net</b>	 <u>45,512</u>	 <u>29,417</u>
 Total assets	 <u>\$ 165,715</u>	 <u>\$ 97,093</u>

#### LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 3,213	\$ 1,067
 <b>NET ASSETS - unrestricted</b>	 <u>162,502</u>	 <u>96,026</u>
 Total liabilities and net assets	 <u>\$ 165,715</u>	 <u>\$ 97,093</u>

The accompanying notes to the financial statements  
are an integral part of this statement.

**BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, LLC**

Bayou Pigeon, Louisiana

**STATEMENTS OF ACTIVITIES**

For the years ended September 30, 2017 and 2016

(See Independent Accountants' Compilation Report)

	<b>2017</b> <b>(Compiled)</b>	<b>2016</b> <b>(Reviewed)</b>
<b>REVENUES AND SUPPORT</b>		
Support from Iberville Parish Council	\$ 183,077	\$ 176,218
Contributed support from Town of White Castle	6,379	8,606
Interest	344	285
	<hr/>	<hr/>
Total revenues and support	189,800	185,109
<b>EXPENSES</b>		
Maintenance	46,135	29,789
Supplies	26,976	84,032
Contracted services and contributed labor	18,379	22,606
Office	9,206	11,707
Depreciation	9,387	4,950
Professional	4,315	3,250
Training	3,894	1,989
Other	5,032	2,909
	<hr/>	<hr/>
Total expenses	123,324	161,232
Changes in net assets	66,476	23,877
<b>NET ASSETS</b>		
Beginning of year	96,026	72,149
	<hr/>	<hr/>
End of year	\$ 162,502	\$ 96,026
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The accompanying notes to the financial statements  
are an integral part of this statement.

**BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, LLC**

Bayou Pigeon, Louisiana

**STATEMENTS OF CASH FLOWS**

For the years ended September 30, 2017 and 2016

(See Independent Accountants' Compilation Report)

	<u>2017</u> <u>(Compiled)</u>	<u>2016</u> <u>(Reviewed)</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 66,476	\$ 23,877
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	9,387	4,950
Change in operating assets and liabilities:		
Due from Iberville Parish Council	8,156	(20,669)
Accounts payable	<u>2,146</u>	<u>(1,406)</u>
Net cash provided by operating activities	86,165	6,752
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<u>(25,482)</u>	<u>(26,572)</u>
Net change in cash	60,683	(19,820)
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>35,644</u>	<u>55,464</u>
End of year	<u>\$ 96,327</u>	<u>\$ 35,644</u>

The accompanying notes to the financial statements  
are an integral part of this statement.

**BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, LLC.**

Bayou Pigeon, Louisiana

**NOTES TO FINANCIAL STATEMENTS**

(See Independent Accountants' Compilation Report)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Operations**

Bayou Pigeon Volunteer Fire & Rescue Services, LLC (the Department), is a non-profit corporation that was formed in February 2015 and provides fire protection, emergency medical service, and hazardous materials handling to the citizens of Bayou Pigeon, an incorporated community in south Iberville Parish. The Department has entered into certain transactions, described below, with the Parish to provide these services.

The Department is dependent on support from the local community by enlisting volunteer labor to provide fire protection, emergency medical service, and hazardous materials handling services.

**Basis of accounting**

The Department maintains its financial statements and related records on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable.

The Department reports information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Department does not have any temporarily or permanently restricted net assets at September 30, 2017 and 2016.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used primarily when accounting for depreciation and contributed support in these financial statements.

**Income taxes**

The Department is a not-for-profit organization that is exempt from income taxes under Section 501(c)(4) of the Internal Revenue Code and classified as other than a private foundation. The Department's open audit periods are 2014 and 2017.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue recognition**

The Department is primarily funded by an allocation of dedicated parish-wide sales tax proceeds. Supplementary funding is provided by donations solicited from the general public, local businesses, and civic organizations, which is recognized when received.

**Cash and cash equivalents**

For purposes of the statement of cash flows, the Department considers cash in bank accounts as cash. Cash equivalents include investments with original maturities of three months or less. The Department has no cash equivalents at September 30, 2017 and 2016. The Department typically maintains cash at a local bank that may, at times, exceed the FDIC limits. Management believes the risk is limited.

**Fair value of financial instruments**

The carrying value of cash, due from Iberville Parish Council (the Council), prepaid expenses and accounts payable and accrued liabilities approximates fair value due to the short-term maturity of these instruments. Financial instruments are not held for trading purposes.

**Property, equipment, and depreciation**

Equipment is recorded at cost. Depreciation is computed using the straight-line method over the estimated service lives of the assets.

**Reclassifications**

Certain amounts in the 2016 financial statements have been reclassified to conform to the 2017 financial statement presentation.

**Subsequent events**

In preparing the financial statements, the Department has evaluated events and transactions for potential recognition or disclosure through the date of the independent accountants' compilation report, March 21, 2018, which was the date that the financial statements were available to be issued.

**NOTE 2 - PROPERTY AND EQUIPMENT**

Property and equipment at September 30, 2017 and 2016 consist of equipment with related estimated service lives of 3 to 7 years totaling \$60,191 and \$34,709 with accumulated depreciation of \$14,679 and \$5,292 respectively. Depreciation expense was \$9,387 and \$4,950 for the years ended September 30, 2017 and 2016, respectively.

**NOTE 3 - RELATED PARTY TRANSACTIONS/ ECONOMIC DEPENDENCY**

The Department derives a significant portion of its revenues from an allocation of a dedicated parish-wide sales tax, from the Council in exchange for providing fire protection and other services to certain areas of the Parish. The loss of these revenues would have a material adverse effect on the Department. During the years ended September 30, 2017 and 2016, revenue derived from the Parish Council accounted for approximately 96% of total revenue. The Council owed the Department \$23,876 and \$32,032 as of September 30, 2017 and 2016, respectively.

The Department utilizes facilities and equipment provided by the Town. Governmental Accounting Standards Board (GASB) No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance*, requires only payments for payroll and related benefit expenses to be recorded when one entity provides non-cash support to another entity. The valuation relating to the utilization of the facilities and equipment are not reflected in the Statement of Activities as in-kind revenue and expenses.

The Town also expends support for the Department, primarily for salary supplements. The amount of such expenditures in 2017 and 2016 was \$6,379 and \$8,606, respectively, and is included in the financial statements.

**BAYOU PIGEON VOLUNTEER FIRE & RESCUE SERVICES, LLC**

Bayou Pigeon, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS AND  
OTHER PAYMENTS TO AGENCY HEAD**

September 30, 2017

(Without Audit)

**Agency Head:** John Marque, Jr.

*No compensation paid from public funds.*