

**SEVENTH DISTRICT VOLUNTEER FIRE DEPARTMENT**  
Gonzales, Louisiana

**FINANCIAL REPORT**  
(Compiled)

December 31, 2017

**SEVENTH DISTRICT VOLUNTEER FIRE DEPARTMENT**  
Gonzales, Louisiana

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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Seventh District Volunteer Fire Department  
Gonzales, Louisiana

Management is responsible for the accompanying financial statements of the **SEVENTH DISTRICT VOLUNTEER FIRE DEPARTMENT** (a nonprofit organization) (Department), which comprise the statement of assets and net assets - cash basis as of December 31, 2017, and the related statement of revenues and support, expenses, and changes in net assets - cash basis for the year then ended, and the related notes to the financial statements - cash basis, in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. 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 prior year summarized comparative information has been derived from the Department's 2016 compiled financial statements, and in our report dated May 8, 2017, we did not express an opinion.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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. This 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 form of assurance on such supplementary information.

*Faulk & Winkler, LLC*

Certified Public Accountants

Baton Rouge, Louisiana  
June 15, 2018

**SEVENTH DISTRICT VOLUNTEER FIRE DEPARTMENT**

Gonzales, Louisiana

**STATEMENT OF ASSETS AND NET ASSETS - CASH BASIS**

December 31, 2017

(with comparative amounts for 2016)

(See Independent Accountants' Compilation Report)

**ASSETS - CURRENT**

	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 163,166	\$ 149,087

**NET ASSETS**

**NET ASSETS**

Unrestricted	\$ 161,115	\$ 147,036
Temporarily restricted	<u>2,051</u>	<u>2,051</u>
	<u>\$ 163,166</u>	<u>\$ 149,087</u>

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

**SEVENTH DISTRICT VOLUNTEER FIRE DEPARTMENT**  
Gonzales, Louisiana

**STATEMENT OF REVENUES AND SUPPORT,  
EXPENSES, AND CHANGES IN NET ASSETS - CASH BASIS**

For the year ended December 31, 2017  
(with summarized comparative totals for 2016)

(See Independent Accountants' Compilation Report)

	Temporarily		<u>2017</u>	<u>2016</u>
	<u>Unrestricted</u>	<u>Restricted</u>		
<b>REVENUES AND SUPPORT</b>				
State fire insurance rebate	\$ 50,934	\$ -	\$ 50,934	\$ 47,911
Donations	2,977	-	2,977	18,309
Membership dues and other	2,382	-	2,382	1,896
Total revenues and support	<u>56,293</u>	<u>-</u>	<u>56,293</u>	<u>68,116</u>
<b>EXPENSES</b>				
Training	12,192	-	12,192	13,609
Utilities	9,236	-	9,236	9,277
Repairs and maintenance	6,346	-	6,346	1,520
Equipment	4,186	-	4,186	5,210
Supplies	3,551	-	3,551	3,784
Professional services	3,299	-	3,299	3,139
Membership and dues	1,181	-	1,181	2,325
Advertising	906	-	906	7,414
Travel and meetings	70	-	70	406
Other	1,247	-	1,247	2,733
Total expenses	<u>42,214</u>	<u>-</u>	<u>42,214</u>	<u>49,417</u>
Change in net assets	14,079	-	14,079	18,699
<b>NET ASSETS</b>				
Beginning of year	<u>147,036</u>	<u>2,051</u>	<u>149,087</u>	<u>130,388</u>
End of year	<u>\$ 161,115</u>	<u>\$ 2,051</u>	<u>\$ 163,166</u>	<u>\$ 149,087</u>

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

**SEVENTH DISTRICT VOLUNTEER FIRE DEPARTMENT**  
Gonzales, Louisiana

**NOTES TO FINANCIAL STATEMENTS - CASH BASIS**

(See Independent Accountants' Compilation Report)

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

**Operations**

The Seventh District Volunteer Fire Department (Department) is a non-profit corporation. The purpose of the Department is to provide fire protection, emergency medical service, and hazardous materials handling to the citizens of the Department's district within the Parish of Ascension, Louisiana.

**Basis of accounting**

The Department's accounts are maintained on the cash basis, and the statement of assets and net assets, and the statement of revenues and support, expenses, and changes in net assets reflect only cash received and disbursed. Therefore, receivables, property, payables, accrued income and expenses, which may be material in amount, are not reflected in the accompanying financial statements. As such, these statements are not intended to present the financial position, results of operations and cash flows in conformity with generally accepted accounting principles.

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 permanently restricted net assets at December 31, 2017. Temporarily restricted net assets relate to a fundraiser held to pay medical expenses of a Department officer.

The compiled financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Department's compiled financial statements for 2016, from which the summarized information was derived.

(Continued)

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

**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 by the Internal Revenue Service as other than a private foundation.

The Department follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740-10, *Income Taxes*. Management of the Department believes it has no material uncertain tax positions and, accordingly it has not recognized any liability for unrecognized tax benefits. The Department's open audit periods are 2014 through 2017.

**Revenue recognition**

The Department is primarily funded by an allocation of an insurance rebate provided by the State of Louisiana through the Parish of Ascension. Supplemental funding is provided by donations solicited from the general public, local businesses, and civic organizations, which are recognized when received.

**Advertising**

Advertising costs are expensed as incurred.

**Cash and cash equivalents**

Cash equivalents include investments with original maturities of three months or less. The Department has no cash equivalents at December 31, 2017.

**Fair value of financial instruments**

The carrying value of cash approximates fair value due to the short-term maturity of this instrument.

**Reclassification**

Certain prior year expenses have been reclassified for consistency with the current period presentation.

**Subsequent events**

In preparing the financial statements, the Department has evaluated events and transactions for potential recognition or disclosure through June 15, 2018, which was the date the financial statements were available to be issued.

**NOTE 2 - RELATED PARTY TRANSACTIONS**

Since the Department provides a service that would otherwise be provided by Ascension Parish Council (the Council) through a fire protection district, the Council provides support including assuming certain costs and providing the facilities and equipment used by the Department.

Additionally, the Department sponsored a fundraiser to pay medical expenses for a Department officer. These funds were recognized as temporarily restricted revenues. No funds were disbursed for restricted purposes during 2017.

The Department utilizes firehouse facilities provided by Ascension Parish Government. 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 these facilities are not reflected in the Statement of Revenues and Support, Expenses, and Changes in Net Assets – Cash Basis as in-kind revenue and expenses.

**SEVENTH DISTRICT VOLUNTEER FIRE DEPARTMENT**  
Gonzales, Louisiana

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

December 31, 2017  
(Without Audit)

**Agency Head: Alden Gautreau**

*No compensation paid from public funds.*