

**FINANCIAL STATEMENTS AND  
INDEPENDENT ACCOUNTANT'S REPORT**

**SUCCOR, INC.**

**DECEMBER 31, 2006**

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 1/16/08

SUCCOR, INC.

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# PAILET, MEUNIER and LeBLANC, L.L.P.

Certified Public Accountants

Management Consultants

## INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors of  
Succor, Inc.

We have reviewed the accompanying statement of financial position of Succor, Inc. (a non-profit organization) as of December 31, 2006, and the related statement of activities, functional expenses, 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. All information included in these financial statements is the representation of the management of Succor, Inc.

Our review was conducted in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards issued by the Comptroller General of the United States of America. A review consists principally of inquiries of Succor, Inc. personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated November 29, 2007, on the results of our agreed-upon procedures.

*Paillet, Meunier and Le Blanc, L.L.P.*

Metairie, Louisiana  
November 29, 2007

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**SUCCOR, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31,**

2006

**ASSETS**

<b>Current Assets</b>	
Cash in Bank	\$ 46,181
Grants Receivable	<u>200,000</u>
<b>Total Current Assets</b>	<u>246,181</u>
<b>Property and Equipment</b>	
Machinery & Equipment	18,707
Accumulated Depreciation	<u>(5,239)</u>
<b>Total Property and Equipment</b>	<u>13,468</u>
<b>Total Assets</b>	<u>\$ 259,649</u>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>	
Accounts Payable	\$ 20,000
Payroll Taxes Payable	<u>886</u>
<b>Total Current Liabilities</b>	<u>20,886</u>
<b>Contingencies</b>	
<b>Net Assets</b>	
Net Assets	<u>238,763</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 259,649</u>

See accountant's report and notes to financial statements.

**SUCCOR, INC.**

**STATEMENT OF ACTIVITIES**

**For the Year Ended December 31,**

	<u>2006</u>
<b>UNRESTRICTED NET ASSETS</b>	
Unrestricted Revenues	
Contributions	\$ 250,000
Program Fees	<u>59,808</u>
Total Unrestricted Revenues	<u>309,808</u>
Expenses	
Program Services	98,660
Supporting Services	<u>13,068</u>
Total Expenses	<u>111,728</u>
Increase/(Decrease) in Unrestricted Net Assets	<u>\$ 198,080</u>
Increase/(Decrease) in Net Assets	\$ 198,080
Net Assets at Beginning of Year	<u>40,683</u>
Net Assets at End of Year	<u>\$ 238,763</u>

See accountant's report and notes to financial statements.

**SUCCOR, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

For the Year Ended December 31,

	2006		
	Total	Program Services	Supporting Services
Advertising	-	-	-
Production Expense	16,361	16,361	-
Sponsorship	5,000	5,000	-
Printing and Reproduction	-	-	-
Contract Labor	7,500	7,500	-
Gross Wages	-	-	-
Telephone	1,751	1,488	263
Postage and Delivery	780	663	117
Bookkeeping	-	-	-
Legal Fees	-	-	-
Consulting	72,032	62,949	9,083
Rent	3,000	2,700	300
Travel	-	-	-
Payroll Taxes	-	-	-
Office Expense	1,869	281	1,588
Depreciation	3,435	1,718	1,717
<b>Total Expenses</b>	<b>\$ 111,728</b>	<b>\$ 98,660</b>	<b>\$ 13,068</b>

See accountant's report and notes to financial statements.

**SUCCOR, INC.**

**STATEMENT OF CASH FLOWS**

**For the Year Ended December 31,**

2006

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Increase in Net Assets	\$ <u>198,080</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	3,435
(Increase) decrease in operating assets:	
Grants Receivable	(200,000)
Increase (decrease) in operating liabilities:	
Accounts Payable	20,000
Payroll Taxes Payable	-
Accrued Liabilities	-
Total adjustments	<u>(176,565)</u>
Net cash provided by operating activities	<u>21,515</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Cash payments for the purchase of property	<u>(3,067)</u>
Net cash provided by investing activities	<u>(3,067)</u>
Net increase in cash and equivalents	18,448
Cash and equivalents, beginning of year	<u>27,733</u>
Cash and equivalents, end of year	\$ <u>46,181</u>

See accountant's report and notes to financial statements.

**SUCCOR, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2006**

**NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

Succor, Inc. (the Organization) is a non-profit corporation organized to foster, protect and promote the public welfare, character and spiritual development by making donations for the public benefit and by engaging in charitable, educational and civic endeavors, by bringing about programs of an educational and economic value, and by cultivating the practice of volunteerism among its members.

The Organization is supported primarily through government cooperative endeavor agreements and does not engage in fundraising activities.

**Promises to Give**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. Any other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. At December 31, 2006, the Organization has no temporarily or permanently restricted net assets.

**Estimates**

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

**Property and Equipment**

It is the Organization's policy to capitalize property and equipment with an expected life of three or more years and a cost of \$500 or more. Property and equipment are depreciated using the straight-line method over a five to ten year depreciable life.



**SUCCOR, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2006**

**NOTE A - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Financial Statement Presentation

The Organization has adopted Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding the financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Organization does not use fund accounting.

Contributions

The Organization has adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

The Organization occasionally maintains deposits in excess of federally insured limits. Statement of Financial Accounting Standards No. 105 identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is mitigated by maintaining all deposits in high quality financial institutions.

**SUCCOR, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**For the Year Ended December 31, 2006**

**NOTE B - FINANCIAL ASSISTANCE**

State of Louisiana Assistance

The Organization has been awarded an appropriation from the State of Louisiana to be used to defray the expenses of establishing and maintaining health and education initiatives which is the Organization's only program.

For the year ended December 31, 2006, the following appropriation is reflected in the financial statements:

Contract Period July 1, 2006 through June 30, 2007

Succor, Inc. received a appropriation in the amount of \$250,000. The entire contribution was recorded as income in 2006.

**NOTE D - CONTINGENCIES**

Concentration of Support

The Organization receives a substantial amount of its support from the State of Louisiana. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's programs and activities. Approximately 80.7% of the Organizations support for the year ended December 31, 2006, came from the Governor's Office of Urban Affairs.

**NOTE E - DESCRIPTION OF LEASING ARRANGEMENTS**

Vernon Thomas

An agreement was entered into with Vernon Thomas, effective July 1, 2004, for the lease of office space in New Orleans, Louisiana. The term of the lease is for three years, expiring June 30, 2007.

Minimum lease payments are as follows:

2007	3,000
Total	<u>\$ 3,000</u>

# PAILET, MEUNIER and LeBLANC, L.L.P.

Certified Public Accountants

Management Consultants

## Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors of  
Succor, Inc.

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Succor, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Succor, Inc.'s compliance with certain laws and regulations during the period ended December 31, 2006, 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 and applicable standards of *Government Auditing Standards*. 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.

Succor, Inc.'s Federal award expenditures for all Federal programs for the fiscal year follow:

Federal Grant Name	Grant Year	CFDA No.	Amount
<u>Louisiana Appropriation</u>	2006		\$91,216.16
Total Expenditures			\$91,216.16

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

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

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

All six of the payments were properly coded to the correct fund and general ledger account.

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

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the executive director.

6. For the items selected in procedure 2: For federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in *the Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

**Activities allowed or unallowed:**

We reviewed the previously listed disbursements for types of services allowed or not allowed. All six disbursements complied with the allowability requirements because the services rendered met the goals of the program.

**Eligibility**

We reviewed the previously listed disbursements for eligibility requirements. All six of the reviewed disbursements complied with the eligibility requirements because the disbursements were for program or supporting services.

**Reporting**

We reviewed the previously listed disbursements for reporting requirements. No exceptions were noted.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

Not applicable. No programs were closed out during the year.

**Meetings**

8. 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).

Not applicable as there was no discussion of state funds at the board's only meeting for the year.

### ***Comprehensive Budget***

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency 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.

Succor, Inc. provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

### ***Prior Comments and Recommendations***

10. We reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

Not applicable as recommendations were not expressed in prior years.

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 Succor, 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.

*Paillet, Meunier and Le Blanc, L.L.P.*

Metairie, LA  
November 29, 2007

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Entities)**

Paillet, Meunier and LeBlanc, LLP  
3421 N. Causeway Blvd., Suite 701  
Metairie, LA 70002 (Auditors)

In connection with your review of our financial statements as of December 31, 2006 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 December 31, 2006.

**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 OMB 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).

*Not Applicable, no discussion of  
state funds at meeting*

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.

*Not Applicable*

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.

*Blanca Liargogi* Secretary *Oct 27, 07* Date  
*Blanca Liargogi* Treasurer *Oct 27, 07* Date  
*John Hill* President *Oct 27, 07* Date