
THE CAPITAL APPEALS PROJECT

FINANCIAL STATEMENTS

JUNE 30, 2021

THE CAPITAL APPEALS PROJECT

FINANCIAL STATEMENTS

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
The Capital Appeals Project

Report on the Financial Statements

We have audited the accompanying financial statements of The Capital Appeals Project (a non-profit organization) (the Organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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; 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

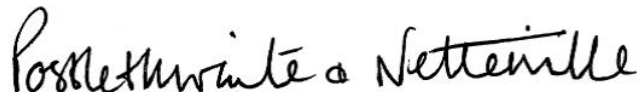
In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the financial position of The Capital Appeals Project as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental schedule of compensation, benefits, and other payments to the agency head as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2021 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



Metairie, Louisiana
November 30, 2021

THE CAPITAL APPEALS PROJECT
STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021 AND 2020

ASSETS

	2021	2020
Current assets:		
Cash	\$ 519,749	\$ 338,479
Grants and fees receivable	18,458	147,089
Prepaid expenses	18,608	-
Total current assets	556,815	485,568
Property and equipment:		
Computers and equipment	4,876	4,876
Furniture and fixtures	6,958	6,958
	11,834	11,834
Less accumulated depreciation	(9,721)	(8,746)
Net property and equipment	2,113	3,088
 Total assets	\$ 558,928	\$ 488,656

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable and accrued expenses	\$ 9,753	\$ 61,901
Due to related party	133,811	38,244
Total current liabilities	143,564	100,145
Net assets		
Without donor restrictions	415,364	388,511
Total net assets	415,364	388,511
 Total liabilities and net assets	\$ 558,928	\$ 488,656

See accompanying notes to these financial statements.

THE CAPITAL APPEALS PROJECT
STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2021 AND 2020

WITHOUT DONOR RESTRICTIONS:

REVENUES AND SUPPORT

	<u>2021</u>	<u>2020</u>
Grant revenues	\$ 1,302,833	1,312,736
Expert fee reimbursements	37,850	240,735
Other income	2,472	3,150
Paycheck Protection Program income	-	185,596
Total revenues and support	<u>1,343,155</u>	<u>1,742,217</u>
Net assets released from restrictions	-	124,395
Total revenues, support, and releases from restrictions	<u>1,343,155</u>	<u>1,866,612</u>
 <u>EXPENSES</u>		
Program services	1,280,496	1,497,943
Support services	35,806	47,643
Total expenses	<u>1,316,302</u>	<u>1,545,586</u>
Change in net assets without donor restrictions	26,853	321,026

WITH DONOR RESTRICTIONS:

Net assets released from restrictions	-	<u>(124,395)</u>
Change in net assets with donor restrictions	-	(124,395)
Change in net assets	26,853	196,631
<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>388,511</u>	<u>191,880</u>
<u>NET ASSETS AT END OF YEAR</u>	<u>\$ 415,364</u>	<u>\$ 388,511</u>

See accompanying notes to these financial statements.

THE CAPITAL APPEALS PROJECT
STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2021

	<u>Program Services</u>	<u>Support Services</u>	<u>Total Expenses</u>
Administration	\$ 15,551	\$ 7,591	\$ 23,142
Continuing education	10,880	-	10,880
Depreciation	926	49	975
Dues and subscriptions	6,287	-	6,287
Employee benefits	225,126	615	225,741
Insurance	9,599	7,510	17,109
Miscellaneous	11,884	2,829	14,713
Office supplies	27,068	802	27,870
Overhead	16,020	843	16,863
Postage	14,711	-	14,711
Professional fees	58,232	-	58,232
Rent expense	114,000	6,000	120,000
Salary and wages	736,216	8,250	744,466
Telephone	25,030	1,317	26,347
Travel	8,966	-	8,966
Total expenses	<u>\$ 1,280,496</u>	<u>\$ 35,806</u>	<u>\$ 1,316,302</u>

(continued)

See accompanying notes to these financial statements.

THE CAPITAL APPEALS PROJECT
STATEMENTS OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2020

	<u>Program Services</u>	<u>Support Services</u>	<u>Total Expenses</u>
Administration	\$ 9,828	\$ 7,840	\$ 17,668
Continuing education	3,249	-	3,249
Depreciation	1,025	-	1,025
Dues and subscriptions	1,864	-	1,864
Employee benefits	256,885	615	257,500
Insurance	1,313	5,449	6,762
Loss on disposal of equipment	-	10,150	10,150
Miscellaneous	3,273	6,225	9,498
Office supplies	46,443	1,565	48,008
Overhead	17,762	773	18,535
Postage	5,809	-	5,809
Professional fees	165,962	-	165,962
Rent expense	111,150	5,850	117,000
Salary and wages	816,350	8,250	824,600
Telephone	17,601	926	18,527
Travel	39,429	-	39,429
	<hr/>	<hr/>	<hr/>
Total expenses	\$ 1,497,943	\$ 47,643	\$ 1,545,586

See accompanying notes to these financial statements.

THE CAPITAL APPEALS PROJECT
STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ 26,853	\$ 196,631
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	975	1,025
Loss on disposal of equipment	-	10,150
Changes in operating assets and liabilities:		
Grants and fees receivable	128,631	(116,586)
Prepaid expenses	(18,608)	-
Due to related party	95,567	60,822
Accounts payable and accrued expenses	<u>(52,148)</u>	<u>38,294</u>
Net cash provided by operating activities	<u>181,270</u>	<u>190,336</u>
Net change in cash	181,270	190,336
Cash, beginning of year	<u>338,479</u>	<u>148,143</u>
Cash, end of year	<u><u>\$ 519,749</u></u>	<u><u>\$ 338,479</u></u>

See accompanying notes to these financial statements.

THE CAPITAL APPEALS PROJECT

NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

Organization

The Capital Appeals Project (the Organization) is a 501(c)(3) non-profit law office established in 2001 to provide representation to all indigent defendants sentenced to death in Louisiana. The office represents clients in their direct appeals to the Louisiana Supreme Court and on *certiorari* to the United States Supreme Court. In addition to direct representation, the staff members also resource ongoing capital trials, provide training and consultation for capital defense attorneys, engage in public outreach and education on issues relating to capital punishment, and advocate for continued improvement in the criminal justice system.

Basis of Accounting and Presentation of Net Assets

The accompanying financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP), which require the Organization to report its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor (or grantor) restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization had no net assets with donor restrictions as of June 30, 2021 and 2020.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates, and those estimates could be material.

Cash

The Organization considers all highly liquid investments available for current use with original maturities of three months or less, which are neither held for or restricted by donors for long term purposes, to be cash equivalents. The Organization held no cash equivalents as of June 30, 2021 and 2020.

THE CAPITAL APPEALS PROJECT

NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies (continued)

Cash (continued)

Pursuant to the terms of a contract agreement with the Louisiana Public Defender Board (LPDB), funds received under that contract must be maintained in a segregated bank account. The balance in this account was \$519,648 and \$300,900 at June 30, 2021 and 2020, respectively. See Note 5.

Grants and Fees Receivable

Grants and fees receivable are stated at the amount the Organization expects to collect from outstanding balances. The Organization determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. At June 30, 2021 and 2020, the Organization did not deem any receivables to be uncollectable; therefore, no allowance was recorded.

Property and Equipment

The Organization records property and equipment at cost or, if donated, at fair value on the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The estimated useful lives used in computing depreciation are as follows:

Computers and equipment	5 to 7 years
Furniture and fixtures	7 years

When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended June 30, 2021 and 2020.

Income Taxes

The Organization is a not-for-profit corporation organized under the laws of the State of Louisiana. The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the Code.

THE CAPITAL APPEALS PROJECT

NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies (continued)

Income Taxes (continued)

The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Revenue and Revenue Recognition

Fee revenues and revenues from state grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has met the performance requirements and/or incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization recognized as revenue all funds related to these grants during the years ended June 30, 2021 and 2020.

The Organization recognizes non-state grants and contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give – that is, those with measurable performance or other barriers and right of return (or release) – are not recognized until the conditions on which they depend have been substantially met. The Organization did not have any conditional promises to give at June 30, 2021 and 2020.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are charged directly to program or support services categories based on specific identification where possible. Indirect expenses have been allocated using the following methodologies: salaries and employee-related expenses – time and effort; occupancy and other expenses – management’s estimates and usage of the leased premises. Approximately \$5,250 was incurred in relation to fundraising for the years ended June 30, 2021 and 2020. This consists primarily of direct costs and an allocation of salaries and benefits based on time and effort estimates.

THE CAPITAL APPEALS PROJECT
NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies (continued)

Accounting Pronouncements Issued but Not Yet in Effect

In September 2020, the FASB issued ASU 2020-07 Topic 958, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The FASB ASU requires nonprofits to change their financial statement presentation and disclosure of contributed nonfinancial assets, or gifts-in-kind. The FASB issued the update in an effort to improve transparency in reporting nonprofit gifts-in-kind. The FASB ASU requires the new standard to be applied retrospectively, with amendments taking effect for the Organization’s fiscal year ending June 30, 2022.

In February 2016, the FASB issued ASU 2016-02, *Leases*. This accounting standard requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the balance sheet as well as additional disclosures. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, to simplify the lease standard’s implementation. On June 3, 2020, the FASB deferred the effective date of this standard for certain entities. This standard will be effective for the Organization’s fiscal year ending June 30, 2023.

The Organization is currently assessing the impact of these pronouncements on its financial statements.

(2) Liquidity and Availability

The table below presents the Organization’s financial assets available for general expenditures within one year at June 30:

	2021	2020
Cash	\$ 519,749	\$ 338,479
Grants and fees receivable, net	18,458	147,089
	\$ 538,207	\$ 485,568

The Organization strives to keep a three-month operating reserve; however, due to budgetary constraints and limits to state funding, the Organization typically maintains a lower cash reserve.

(3) Related Party Transactions

The Organization entered into a noncancelable operating lease in October 2018 with a related party to rent office space through September 2019. The lease was subsequently extended through September 2021. Future minimal rental payments under this lease are as follows:

Year Ending	
June 30,	Amount
2022	30,000

Rent and other operating expenses through the ordinary course of business paid to the related party totaled approximately \$239,000 and \$146,000 for the years ended June 30, 2021 and 2020, respectively.

THE CAPITAL APPEALS PROJECT

NOTES TO FINANCIAL STATEMENTS

(4) Employee Benefit Plan

The Organization offers full-time employees who have completed six months of continuous service participation in its 401(k) plan. Employees may contribute up to the maximum level of deferral allowed by the Internal Revenue Service. The plan provides for employer contributions of 5% of each employee's eligible compensation. Employer contributions for the year ended June 30, 2021 and 2020, were \$17,555 and \$34,402, respectively.

(5) Concentrations and Credit Risk

The Organization receives its support primarily from the LPDB. The Organization received approximately 95% and 94% of its funding from the LPDB for the years ended June 30, 2021 and 2020, respectively.

The Organization manages deposit concentration risk by placing cash with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, the Organization has not experienced losses in any of these accounts.

(6) Contingency

The Organization receives a significant amount of funding from the State of Louisiana and grantor agencies, which are governed by rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable at June 30, 2021 and 2020 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Organization.

(7) Paycheck Protection Program

During the year ended June 30, 2020, the Organization applied for and was approved for a \$185,596 loan under the Paycheck Protection Program administered by the Small Business Administration as part of the relief efforts related to COVID-19. The Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization recognized the loan as an unconditional contribution, which was recorded in the statement of activities for the year ended June 30, 2020, having met the conditions for forgiveness by incurring eligible expenditures. The loan was fully forgiven in May 2021.

(8) Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 30, 2021, and determined that there were no other events that require additional disclosure. No events after this date have been evaluated for inclusion in the financial statements.

SUPPLEMENTAL INFORMATION

THE CAPITAL APPEALS PROJECT
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO THE AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2021

Agency Head Name: Cecelia Kappel, Executive Director

Purpose	The Capital Appeals Project
Salary	\$105,000
Benefits-insurance	\$25,471
Benefits-retirement	\$5,250
Benefits-Disability/Life	\$758
Registration fees	\$361

See accompanying independent auditors' report.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
The Capital Appeals Project

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The Capital Appeals Project (the Organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Postlethwaite & Netterville

Metairie, Louisiana
November 30, 2021

To the Board of Directors
The Capital Appeals Project

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements The Capital Appeals Project (the Organization), as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated November 30, 2021.


In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

During our audit we noted a matter involving internal control and other operational matters that are presented for your consideration. This comment and recommendation, which has been discussed with the appropriate members of management, is intended to improve internal control or result in other operating efficiencies and are summarized as follows.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the Organization gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss this comment and recommendation with you at any time.

This report is intended solely for the information and use of management, Board of Directors, and others within the Organization and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Metairie, Louisiana
November 30, 2021

THE CAPITAL APPEALS PROJECT
MANAGEMENT LETTER COMMENTS
FOR THE YEAR ENDED JUNE 30, 2021

2021-01 Review Policy of Outstanding Checks

Observation: During the course of our audit procedures, we noted several errors in the Organization's bank reconciliations and the recording of expenses, resulting in incorrect account balances in the general ledger.

Recommendation: We recommend that the Organization follow established policy to prepare and review bank reconciliations on a timely basis, including the investigation of all large and long outstanding checks on a regular basis. This practice will provide a much stronger control over cash and the bank reconciliation process.