

LAFAYETTE MUSEUM ASSOCIATION, INC.
FINANCIAL STATEMENTS

For the Years Ended April 30, 1999 and 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 AUG 11, 1999

Lafayette Museum (QUASI-PUBLIC ENTITY NAME)
Lafayette, Louisiana

**ANNUAL SWORN FINANCIAL STATEMENTS AND
CERTIFICATION OF REVENUES \$50,000 OR LESS (if applicable)**

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513(l)(1)(c)(i).

AFFIDAVIT

Personally came and appeared before the undersigned authority, Mrs. Betty Lowry (name), who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Lafayette Museum (Name of Quasi-Public Entity) as of April 30, 1999, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

(Complete if applicable)

In addition, Mrs. Betty Lowry (name), who, duly sworn, deposes and says that the Lafayette Museum (Name of Quasi-Public Entity) received \$50,000 or less in revenues and other sources for the fiscal year ending April 30, 1999, accordingly, is not required to have an audit for the previously mentioned fiscal year-end.

Betty J. Lowry
Signature

Sworn to and subscribed before me, this 29 day of July, 1999.

Margaretta Soule
NOTARY PUBLIC

Officer Mrs. Betty Lowry
Address 110 Shady Crest Avenue
Lafayette, LA 70501

Telephone No. (318) 261-0139

LAFAYETTE MUSEUM ASSOCIATION, INC.

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

The Officers and Directors
Lafayette Museum Association, Inc.
Lafayette, Louisiana

We have compiled the accompanying statements of financial position of Lafayette Museum Association, Inc. (*a nonprofit organization*) as of April 30, 1999 and 1998 and the related statements of activities and cash flows for the years then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Jhiladoux Herbert Deshotel LeBlanc
CERTIFIED PUBLIC ACCOUNTANTS

June 28, 1999

LAFAYETTE MUSEUM ASSOCIATION, INC.

STATEMENTS OF FINANCIAL POSITION April 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Assets:		
Cash and cash equivalents, including interest-bearing deposits of \$62,596 and \$35,974	\$68,567	\$44,464
Certificate of deposit	31,618	30,000
Prepaid expenses	3,386	2,817
Cash restricted to investment in building and furniture	5,125	25,000
Investments	70,158	63,518
Land, building and furniture, net	163,808	151,430
Collections	-	-
Total assets	<u><u>\$342,662</u></u>	<u><u>\$317,229</u></u>
 Liabilities and net assets:		
Accrued liabilities	\$349	\$173
 Net assets:		
Unrestricted	337,188	317,056
Temporarily restricted	5,125	-
Total net assets	<u><u>342,313</u></u>	<u><u>317,056</u></u>
Total liabilities and net assets	<u><u>\$342,662</u></u>	<u><u>\$317,229</u></u>

*See Accountants' Compilation Report.
The accompanying notes are an integral part of these financial statements.*

LAFAYETTE MUSEUM ASSOCIATION, INC.

STATEMENTS OF ACTIVITIES For The Years Ended April 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Changes in unrestricted net assets:		
Revenues and gains:		
Museum operations	\$16,562	\$8,619
Fundraising	33,445	1,682
Interest income	9,665	8,005
Donations	7,371	4,261
Net unrealized and realized gains on investments	2,552	6,597
Total unrestricted revenues and gains	<u>69,595</u>	<u>29,164</u>
Net assets released from restrictions		
Satisfaction of acquisition restrictions	25,000	48,517
Total unrestricted revenues, gains, and other support	<u>94,595</u>	<u>77,681</u>
Expenses and losses:		
Program services		
Museum operations	42,445	38,226
Fundraising	1,866	2,260
Supporting services		
Administrative and general	-	-
Total expenses and losses	<u>44,311</u>	<u>40,486</u>
Costs of collection items	<u>30,152</u>	<u>-</u>
Increase in unrestricted net assets	<u>20,132</u>	<u>37,195</u>
Changes in temporarily restricted net assets:		
Grants	30,125	24,459
Net assets released from restrictions	(25,000)	(48,517)
Increase (decrease) in temporarily restricted net assets	<u>5,125</u>	<u>(24,058)</u>
Increase in net assets, as restated for 1998	25,257	13,137
Net assets at beginning of year	<u>317,056</u>	<u>303,919</u>
Net assets at end of year	<u>\$342,313</u>	<u>\$317,056</u>

See Accountants' Compilation Report.

The accompanying notes are an integral part of these financial statements.

LAFAYETTE MUSEUM ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS For the Years Ended April 30, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Cash flows from operating activities:		
Change in net assets	\$25,257	\$13,137
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	6,958	8,248
Net unrealized and realized gains on investments	(2,552)	(6,597)
Changes in assets and liabilities:		
Prepaid expenses	(569)	(117)
Assets restricted to investment in building and furniture	19,875	(942)
Accrued liabilities	176	173
Net cash provided by operating activities	<u>49,145</u>	<u>13,902</u>
Cash flows from investing activities:		
Purchase of certificate of deposit	(1,618)	-
Proceeds from sale of investments	12,681	6,799
Purchase of investments	(16,769)	(12,216)
Purchase of property and equipment	(19,336)	(31,318)
Net cash used in investing activities	<u>(25,042)</u>	<u>(36,735)</u>
Net increase (decrease) in cash and cash equivalents	24,103	(22,833)
Cash and cash equivalents at beginning of year	<u>44,464</u>	<u>67,297</u>
Cash and cash equivalents at end of year	<u>\$68,567</u>	<u>\$44,464</u>

*See Accountants' Compilation Report.
The accompanying notes are an integral part of these financial statements.*

LAFAYETTE MUSEUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1: ORGANIZATION

Lafayette Museum Association, Inc., is a nonprofit organization dedicated to the preservation of the Lafayette Museum. The Association's work includes the restoration and operation of the Museum, as well as the education of its members and the general public in the history of the Lafayette area.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

Assets and liabilities, and revenues and expenses, are recognized on the accrual basis of accounting.

Property and Equipment

Property and equipment are stated at cost. Expenditures for property and equipment and items which substantially increase the useful lives of existing assets are capitalized at cost and depreciated. Routine expenditures for repairs and maintenance are expensed as incurred. The cost and related accumulated depreciation of property and equipment disposed of are eliminated from the accounts, and any resulting gain or loss is recognized.

Depreciation is provided utilizing the straight-line and accelerated methods. Use of the accelerated methods approximates amounts determined by generally accepted accounting principles.

Income Taxes

The Association is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Cash Flows

For purpose of the statement of cash flows, the Association considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude temporarily restricted cash and cash equivalents.

Advertising

The Association charges the costs of advertising to expense as incurred. For the years ended April 30, 1999 and 1998, advertising costs were \$1,857 and 1,791 respectively.

Use of 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.

LAFAYETTE MUSEUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donor-Restricted Funds

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases these net classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Association reports the support as unrestricted.

NOTE 3: TEMPORARILY-RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purpose:

	<u>1999</u>	<u>1998</u>
Building improvements and furniture	<u>\$5,125</u>	<u>\$25,000</u>

The grant agreement with Lafayette City-Parish Government requires maintenance of a separate account for these funds. As of April 30, 1999 and 1998, funds in a separate account total \$0 and \$25,000, respectively.

NOTE 4: EXPIRATION OF DONOR-IMPOSED RESTRICTIONS

Net assets were released from donor-imposed restrictions, as follows:

	<u>1999</u>	<u>1998</u>
Acquisition restrictions accomplished:		
Building improvements, restoration and furniture acquired	<u>\$25,000</u>	<u>\$48,517</u>

NOTE 5: PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>1999</u>	<u>1998</u>
Land and building	\$11,550	\$11,550
Building improvements and furniture	<u>231,103</u>	<u>211,767</u>
	242,653	223,317
Less accumulated depreciation	<u>(78,845)</u>	<u>(71,887)</u>
Property and equipment, net	<u>\$163,808</u>	<u>\$151,430</u>

LAFAYETTE MUSEUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 6: COLLECTIONS

Collections of antique furniture, artwork and other items are owned by the Association and maintained in exhibits on the Museum grounds. Their significance is historical in nature. They are not capitalized. Costs of purchasing collection items, proceeds from sale, and proceeds from insurance recoveries are recognized in the year of acquisition, sale or loss.

NOTE 7: INVESTMENTS

Investments are comprised of bond and equity funds and are carried at market value.

Investments as of April 30, 1999 are summarized as follows:

	<u>Cost</u>	<u>Market Value</u>	<u>Carrying Value</u>
Unrestricted			
Fixed income bond funds	\$32,192	\$33,902	\$33,902
Equity funds	\$28,374	\$36,256	\$36,256

As of April 30, 1999, net unrealized gains on unrestricted investments were \$1,356.

Investments as of April 30, 1998 are summarized as follows:

	<u>Cost</u>	<u>Market Value</u>	<u>Carrying Value</u>
Unrestricted			
Fixed income bond funds	\$31,710	\$32,483	\$32,483
Equity funds	\$24,848	\$31,035	\$31,035

As of April 30, 1998, net unrealized gains on unrestricted investments were \$6,960.

NOTE 8: CONCENTRATION OF CREDIT RISK

The Association maintains cash and investment accounts at several area financial institutions. At some of these institutions, account balances are secured by the FDIC and the SIPC up to \$100,000 and \$500,000 per institution, respectively. At April 30, 1999 and 1998, the Association had cash and investments in unsecured accounts amounting to \$110,069 and \$100,576.

LAFAYETTE MUSEUM ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 9: RESTATEMENT

The accompanying financial statements for April 30, 1998 have been restated to correct an error in the accrual of a conditional grant made in the year ended April 30, 1998. The effect of the restatement was to reduce the increase in net assets for the year ended April 30, 1998 by \$25,000.

NOTE 10: RECLASSIFICATIONS

Certain reclassifications have been made to the April 30, 1998 financial statements to conform to the April 30, 1999 presentation. These reclassifications had no effect on the increase in net assets as previously reported and are exclusive of the disclosure in Note 9.