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## LOUISIANA SENIOR OLYMPIC GAMES, INC.

Baton Rouge, Louisiana

### FINANCIAL REPORT

(Compiled)

December 31, 1999

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

4/19/00

**LOUISIANA SENIOR OLYMPIC GAMES, INC.**

Baton Rouge, Louisiana

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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors  
Louisiana Senior Olympic Games, Inc.  
Baton Rouge, Louisiana

We have compiled the accompanying statement of financial position of the **LOUISIANA SENIOR OLYMPIC GAMES, INC.** (a non-profit organization) as of December 31, 1999, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the accompanying supplementary information contained on Schedule 1, which is presented only for supplementary analysis purposes, 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 and supplementary schedule information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedule and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated March 24, 2000, on the results of our agreed upon procedures.

A handwritten signature in cursive script that reads "Faulk &amp; Winkler LLC".

Certified Public Accountants

Baton Rouge, Louisiana  
March 24, 2000

**LOUISIANA SENIOR OLYMPIC GAMES, INC.**

Baton Rouge, Louisiana

**STATEMENT OF FINANCIAL POSITION**

December 31, 1999

(See Accountants' Compilation Report)

**ASSETS**

	<u>1999</u>
<b>CURRENT</b>	
Cash	\$ 61,725
Accounts receivable	92
Inventory	<u>1,902</u>
Total current assets	63,719
<b>FIXED ASSETS - net</b>	<u>-</u>
Total assets	<u>\$ 63,719</u>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>	
Accounts payable	\$ 806
Accrued payroll taxes	<u>1,687</u>
Total liabilities	2,493
<b>NET ASSETS - UNRESTRICTED</b>	<u>61,226</u>
Total liabilities and net assets	<u>\$ 63,719</u>

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

**LOUISIANA SENIOR OLYMPIC GAMES, INC.**  
Baton Rouge, Louisiana

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

For the year ended December 31, 1999

(See Accountants' Compilation Report)

	<b>1999</b>
<b>SUPPORT AND REVENUE</b>	
Donations	\$ 106,093
Games registrations	23,905
Memberships	14,160
Sale of merchandise	3,097
District dues	2,564
Interest income	509
Other	3,642
Total support and revenue	153,970
 <b>EXPENSES</b>	
Cost of sales	1,629
Program services	101,398
General and administrative	19,751
Total expenses	122,778
Increase in net assets	31,192
 <b>NET ASSETS</b>	
Beginning of year	30,034
End of year	\$ 61,226

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

**LOUISIANA SENIOR OLYMPIC GAMES, INC.**

Baton Rouge, Louisiana

**STATEMENT OF CASH FLOWS**

For the year ended December 31, 1999

(See Accountants' Compilation Report)

	<u>1999</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Increase in net assets	\$ 31,192
Adjustments to reconcile increase in net assets:	
Change in operating assets and liabilities:	
Accounts receivable	348
Pledges receivable	5,000
Inventory	(1,902)
Accounts payable	(243)
Accrued payroll taxes	<u>(520)</u>
Net cash provided by operating activities	33,875
<b>CASH</b>	
Beginning of year	<u>27,850</u>
End of year	<u>\$ 61,725</u>

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

**LOUISIANA SENIOR OLYMPIC GAMES, INC.**

Baton Rouge, Louisiana

**NOTES TO FINANCIAL STATEMENTS**

(See Accountants' Compilation Report)

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

**Nature of activities**

The Louisiana Senior Olympic Games, Inc. (LSOG) is a non-profit organization that promotes wellness and an improved quality of life for senior citizens through sports and physical training. LSOG plans, promotes and oversees a statewide program, which includes competitions held at the local, state and district level.

Funding for LSOG is through donations primarily from organizations, membership dues from individuals, and registration fees from participants in the state games.

**Basis of presentation**

LSOG 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.

LSOG reports its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. LSOG did not have any temporarily or permanently restricted net assets at December 31, 1999.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts and related disclosures of the financial statements. Actual results could differ from those estimates. Estimates are used primarily when accounting for depreciation in these financial statements.

**Fair value of financial instruments**

The carrying value of cash, receivables, inventory, accounts payable and accrued expenses approximate fair value due to the short-term maturity of these instruments. None of the financial instruments are held for trading purposes.



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

**Cash and cash equivalents**

LSOG considers all highly liquid investments with a maturity of three months or less at the date of acquisition to be cash equivalents. There are no cash equivalents at December 31, 1999.

**Promises to give**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to LSOG that is, in substance, unconditional. LSOG did not receive any restricted donations during 1999.

**Inventory**

Inventory and cost of sales consists of game promotional items which are valued using the weighted average method.

**Donated services and supplies**

No amounts have been reported in the accompanying financial statements for donated services and supplies because no objective basis is available to measure the value of such services and donations. A number of volunteers and organizations have contributed their time and services to LSOG without compensation. The volunteer services provided did not meet the requirement for recognition in the financial statements and have not been recorded.

**Depreciation**

Purchased fixed assets are recorded at cost. Fixed assets are depreciated over their estimated useful lives.

**Advertising**

LSOG follows the policy of charging the costs of advertising to expense as incurred. No advertising costs were incurred during 1999.



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

**Income tax status**

LSOG qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code; therefore, the financial statements have no provision for federal and state income tax.

**NOTE 2 - FIXED ASSETS**

At December 31, 1999, fixed assets were as follows:

	Estimated Service <u>Life</u>	<u>1999</u>
Sports and office equipment	3 – 5 years	\$ 15,338
Less accumulated depreciation		<u>(15,338)</u>
		<u><u>\$ -</u></u>

No depreciation expense was recorded during 1999.

**NOTE 3 - SIGNIFICANT SOURCES OF REVENUE**

Approximately 68% of revenue was received as support from five contributors, which consisted of four corporations and one Louisiana agency.

**NOTE 4 - RENTAL OF OFFICE SPACE**

LSOG leases office facilities under a month-to-month operating arrangement. Rent expense for office facilities during the year ended December 31, 1999 was \$7,000.

**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Board of Directors  
Louisiana Senior Olympic Games, Inc.  
Baton Rouge, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the **LOUISIANA SENIOR OLYMPIC GAMES, INC.** (LSOG) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the LSOG's compliance with certain laws and regulations during the year ended December 31, 1999, included in the Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. 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.

Grant Name	Grant Year	Award No.	Amount
1999 Senior Olympic Games	1999	CFMS 550312	\$ <u>14,472</u>

2. For each Federal, state, and local award, we randomly selected 6 disbursements from the award administered during the period under examination.
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.

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 payments were properly coded to the correct general ledger account. LSOG is not required to maintain its accounting records on a fund basis.

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 that related to federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in the Compliance Supplement; and for state and local awards, we determined whether the disbursements complied with the grant agreement.

The disbursements tested complied with the state contract requirements.

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.

LSOG did not close out any programs during the period.

### **Meetings**

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

LSOG is not subject to the open meetings law.

### **Comprehensive Budget**

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

The state agency did not require a line-item budget to be submitted upon awarding of this contract for services. As such, no budget was prepared.

### **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.

Our prior year report, dated March 18, 1999, did not include any comments or unresolved matters.

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 LSOG and the Legislative Auditor, State of Louisiana, and the Governor's Office of Elderly Affairs, State of Louisiana 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.

*Faulk + Winkler LLC*

Certified Public Accountants

Baton Rouge, Louisiana  
March 24, 2000

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

February 11, 2000

Faulk & Winkler, LLC  
6811 Jefferson Hwy.  
Baton Rouge, LA 70806

In connection with your compilation of our financial statements as of December 31, 1999 and for the year 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 February 11, 2000.

**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 [ X ] 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 [ X ] No [ ]

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [ X ] No [ ]

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [ X ] 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).

N/A

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

N/A

Yes [ ] No [ ]



**Prior Year Comments**

We have resolved all prior-year recommendations and/or comments.

N/A

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.

Louisiana Senior Olympic Games, Inc.

By *Robert T. Kibler* Treasurer 2/11/2000 Date

By *J. W. Simpson* Executive Director 2/11/2000 Date

## **SUPPLEMENTARY INFORMATION**



**LOUISIANA SENIOR OLYMPIC GAMES, INC.**  
Baton Rouge, Louisiana

**SCHEDULE OF FUNCTIONAL EXPENSES**

For the year ended December 31, 1999

(See Accountants' Compilation Report)

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Total</u>
Salaries	\$ 42,618	\$ 6,506	\$ 49,124
Payroll taxes and benefits	4,352	650	5,002
Facilities and rentals	7,045	7,000	14,045
Awards	4,114	-	4,114
Insurance	7,513	-	7,513
Equipment and supplies	13,260	2,298	15,558
Volunteer meals and supplies	5,367	-	5,367
Postage	4,425	-	4,425
Printing and promotions	7,270	-	7,270
Accounting	-	1,900	1,900
Outside services	3,743	386	4,128
Travel and conferences	622	-	622
Other	<u>1,070</u>	<u>1,011</u>	<u>2,081</u>
Total expenses	<u>\$ 101,398</u>	<u>\$ 19,751</u>	<u>\$ 121,148</u>