



LUTHER C. SPEIGHT & COMPANY

A Corporation of Certified Public Accountants
and Management Consultants

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Financial Statements and
Applied Agreed-Upon Procedures

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Of
LAKE FOREST ESTATES HOMEOWNERS' ASSOCIATION
For the year ended 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 10-18-00

See accompanying accountant's compilation & agreed-upon procedures report.



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Accountant's Compilation Report

TO: The Board of Directors
Lake Forest Estates Homeowners' Association
New Orleans, LA

We have compiled the accompanying statement of financial position of The Lake Forest Estates Homeowners' Association (a non-profit organization) as of December 31, 1999, and the related statement of activities 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.

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.

Management has elected to omit substantially all of the disclosures and the statement of cash flow required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Association's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

June 29, 2000

Lake Forest Estates Homeowners Association
Statement of Financial Position
As of December 31, 1999

CURRENT ASSETS		
Cash	\$ 28,394.13	
Due From Board of Liquidation	<u>16,469.71</u>	
Total Assets		<u><u>\$ 44,863.84</u></u>
NET ASSETS		
Net Assets	<u>\$ 44,863.52</u>	
Total Net Assets		<u><u>\$ 44,863.52</u></u>

See accompanying accountant's compilation report.

Lake Forest Estates Homeowners Association
Statement of Activities
For the Year Ended December 31, 1999

REVENUE	
Taxing District Collections	\$ 63,957.50
Resident Contributions	325.00
Interest on Investments (Board of Liquidation)	<u>1,701.89</u>
Total Revenue	<u>\$ 65,984.39</u>
EXPENSES	
Security	\$ 38,804.87
Professional Services	250.00
Repairs & Maintenance	1,590.43
Utilities	415.88
Association Newsletter	30.00
Office Supplies	99.00
Postage & Delivery	36.42
Contributions	200.00
Miscellaneous	<u>73.43</u>
Total Expenses	<u>\$ 41,500.03</u>
Change In Net Assets	\$ 24,484.36
Net Assets - January 1, 1999	14,130.69
Adjustment to Beginning Net Assets	<u>6,248.47</u>
Net Assets December 31, 1999	<u><u>\$ 44,863.52</u></u>

See accompanying accountant's compilation report.

Independent Accountant's Report
on Applying Agreed-Upon Procedures

To: The Board of Directors
Lake Forest Estates Homeowners Association

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the Board of Directors of Lake Forest Estates Homeowners Association and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Lake Forest Estates Homeowners Association's compliance with certain laws and regulations during the year ended December 31, 1999 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. 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.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

We examined all expenditures and there were no purchases or expenditures made exceeding the aforementioned amounts.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with a listing of all board members. An employee listing was omitted, as the Association has no employees.

3. Obtain from management a listing of all employees paid during the period under examination.

There are no employees of the Association.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

This was not applicable as the Association has no employees.

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

A copy of the budget was obtained from the treasurer with each Board Member's signature giving approval to the budget.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5 % or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments 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.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

All six selected disbursements were properly coded to the correct fund and general ledger accounts.

(c) determine whether payments received approval from proper authorities.

Payments were made by the treasurer of the Association with approval given by of the Board of Directors.

Meetings

9. 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).

Lake Forest Estates Homeowners Association provided evidence indicating the agenda for the meetings were recorded and the homeowners received newsletters pertain to upcoming meetings and were also posted as required by LSA --RS 42:1.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

There were no bank deposits made by the Association. All deposits were made by the City of New Orleans via direct deposit.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advance, or gifts.

The Association had no employees, therefore there were no payroll records to examine.

The Association was not previously required to submit to an Attestation Examination accordingly, prior comments or unresolved matters do not exist.

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 Lake Forest Estate Home Owners Association and the Legislative Auditor, 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "Arthur B. Smith". The signature is written in black ink and is positioned above the date.

June 29, 2000



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LOUISIANA ATTESTATION QUESTIONNAIRE

LAKE FOREST ESTATES

In connection with your compilation of our financial statements as of December 31, 1999 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 _____

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 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).

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 propose 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.

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.

Gregory Penthouse Secretary 10/10/00 Date

John L. Perney Treasurer 10/6/00 Date

Alton Bates Sr. President 10/9/00 Date