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WHITE CASTLE VOLUNTEER FIRE DEPARTMENT, INC.

White Castle, Louisiana

FINANCIAL REPORT

(Compiled)

September 30, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, 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

MAR 0 1 2000

Release Date _____

WHITE CASTLE VOLUNTEER FIRE DEPARTMENT, INC.

White Castle, Louisiana

TABLE OF CONTENTS

September 30, 1999

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

FINANCIAL STATEMENTS

Exhibit

Statements of Financial Position

A

Statements of Activities

B

Statements of Cash Flows

C

Notes to Financial Statements

D

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

E

LOUISIANA ATTESTATION QUESTIONNAIRE

F



INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors
White Castle Volunteer Fire Department, Inc.
White Castle, Louisiana

We have compiled the accompanying statements of financial position of the **WHITE CASTLE VOLUNTEER FIRE DEPARTMENT, INC.** (a non-profit organization) as of September 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.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated December 2, 1999, on the results of our agreed upon procedures.

Faulk & Winkler LLC
Certified Public Accountants

Baton Rouge, Louisiana
December 2, 1999

WHITE CASTLE VOLUNTEER FIRE DEPARTMENT, INC.

White Castle, Louisiana

STATEMENTS OF FINANCIAL POSITION

September 30, 1999 and 1998

(See Accountants' Compilation Report)

	<u>1999</u>	<u>1998</u>
ASSETS		
CURRENT		
Cash	\$ 14,115	\$ 13,063
Due from Iberville Parish Council	<u>2,403</u>	<u>2,958</u>
Total current assets	16,518	16,021
PROPERTY - net	<u>141,176</u>	<u>161,195</u>
Total assets	<u>\$ 157,694</u>	<u>\$ 177,216</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 3,382	\$ 1,863
Current portion of long-term debt	<u>23,658</u>	<u>22,039</u>
Total current liabilities	27,040	23,902
LONG-TERM DEBT	<u>108,589</u>	<u>131,899</u>
Total liabilities	135,629	155,801
NET ASSETS - unrestricted	<u>22,065</u>	<u>21,415</u>
Total liabilities and net assets	<u>\$ 157,694</u>	<u>\$ 177,216</u>

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

WHITE CASTLE VOLUNTEER FIRE DEPARTMENT, INC.

White Castle, Louisiana

STATEMENTS OF ACTIVITIES

For the years ended September 30, 1999 and 1998

(See Accountants' Compilation Report)

	<u>1999</u>	<u>1998</u>
REVENUES AND SUPPORT		
Sales tax proceeds	\$ 61,440	\$ 83,334
Fund raising events	838	1,603
Donations	180	205
Interest	413	336
Other	966	2,014
	<u>63,837</u>	<u>87,492</u>
EXPENSES		
Depreciation	20,019	19,727
Interest	10,320	10,920
Office	9,553	13,982
Maintenance	8,132	17,291
Supplies	6,831	13,440
Training	2,492	2,682
Other	5,840	11,846
	<u>63,187</u>	<u>89,888</u>
Change in net assets	650	(2,396)
NET ASSETS		
Beginning of year	<u>21,415</u>	<u>23,811</u>
End of year	<u>\$ 22,065</u>	<u>\$ 21,415</u>

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

WHITE CASTLE VOLUNTEER FIRE DEPARTMENT, INC.

White Castle, Louisiana

STATEMENTS OF CASH FLOWS

For the years ended September 30, 1999 and 1998

(See Accountants' Compilation Report)

	<u>1999</u>	<u>1998</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 650	\$ (2,396)
Adjustments to change in net assets:		
Depreciation	20,019	19,727
Change in operating assets and liabilities:		
Due from Iberville Parish Council	555	1,515
Accounts and interest payable	<u>1,519</u>	<u>1,863</u>
Cash provided by operating activities	22,743	20,709
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	-	(6,610)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment on long-term borrowings	<u>(21,691)</u>	<u>(20,806)</u>
Net increase (decrease) in cash	1,052	(6,707)
CASH		
Beginning of year	<u>13,063</u>	<u>19,770</u>
End of year	<u>\$ 14,115</u>	<u>\$ 13,063</u>

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

WHITE CASTLE VOLUNTEER FIRE DEPARTMENT, INC.

White Castle, Louisiana

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

White Castle Volunteer Fire Department, Inc. (the Department) is a non-profit corporation within the meaning of Section 501(c)(4) of the Internal Revenue Code. The purpose of the Department is to provide fire protection, emergency medical service, and hazardous materials handling to the citizens of the Town of White Castle (the Town) and its outlying areas.

Basis of accounting

The Department 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.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Department is required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Department does not have any temporarily or permanently restricted net assets at September 30, 1999 and 1998.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require 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.

Revenue recognition

The Department is primarily funded by an allocation of dedicated parish-wide sales tax proceeds. Supplementary funding is provided by donations solicited from the general public, local businesses, and civic organizations, which are recognized as received.

Income taxes

The Department is a non-profit organization which is exempt from income tax under Section 501(c)(4) of the Internal Revenue Code.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

For purposes of the statement of cash flows, the Department considers cash in bank accounts as cash. The Department has no cash equivalents at September 30, 1999 and 1998.

Equipment and depreciation

Equipment is recorded at cost. Depreciation is computed using the straight-line method over the estimated service lives of the assets.

NOTE 2 - PROPERTY

A summary of property, related service lives, and accumulated depreciation at September 30, 1999 and 1998, is as follows:

<u>Equipment</u>	<u>Estimated Service Life</u>	<u>1999</u>	<u>1998</u>
Building	30 years	\$ 101,155	\$ 101,155
Fire truck - pledged	10 years	129,359	129,359
Vehicle	5 years	3,875	3,875
Equipment	5 years	<u>79,393</u>	<u>79,393</u>
		313,782	313,782
Less accumulated depreciation		<u>(172,606)</u>	<u>(152,587)</u>
Property, net of accumulated depreciation		<u>\$ 141,176</u>	<u>\$ 161,195</u>

Certain property is pledge to secure Department debt. See Note 3.

Depreciation expense was \$20,019 and \$19,727 for the years ended September 30, 1999 and 1998, respectively.

NOTE 3 - LONG-TERM DEBT

A summary of long-term debt at September 30, 1999 and 1998, is as follows:

	<u>1999</u>	<u>1998</u>
Note payable in monthly installments of \$2,101, including interest at 7.19%, maturing in July 2005, secured by a building and a vehicle.	\$ 119,756	\$ 135,724
Note payable in monthly installments of \$199, including interest at 7%, maturing June 2001, secured by fire equipment.	3,921	5,957
Note payable in monthly installments of \$401, including interest at 7.5%, maturing July 2001, secured by fire equipment.	<u>8,570</u>	<u>12,257</u>
Total debt	132,247	153,938
Less current maturities	<u>(23,658)</u>	<u>(22,039)</u>
Long-term portion	<u>\$ 108,589</u>	<u>\$ 131,899</u>

NOTE 3 - LONG-TERM DEBT (CONTINUED)

Future maturities are as follows:

<u>September 30,</u>	<u>Amount</u>
2000	\$ 23,658
2001	24,418
2002	19,799
2003	21,271
2004 and thereafter	<u>43,101</u>
	<u>\$ 132,247</u>

The Department is primarily responsible for payment of the debt; however, the Iberville Parish Council (Council) has guaranteed the debt. As described in Note 4, the Council, with the Department's consent, makes direct payment of \$2,101 monthly to fund the required debt service payments.

NOTE 4 - RELATED PARTY TRANSACTIONS

Since the Department provides a service that would otherwise be provided by the Town, the *Town provides support. The Town assumes certain costs and provides the facilities and equipment used by the Department.* The equipment has an original cost of approximately \$183,822, which is not included in the equipment described in Note 2.

The Town budgets an amount to be expended in the purchase of various supplies for the Department. The amount of such expenditures in 1999 and 1998 was \$12,944 and \$16,705, respectively, and is not included in these financial statements.

The Department continues its agreement with the Iberville Parish Council to receive allocated sales tax proceeds in exchange for providing fire protection to certain areas of the Parish extending beyond city limits.



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
White Castle Volunteer Fire Department, Inc.
White Castle, 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 **WHITE CASTLE VOLUNTEER FIRE DEPARTMENT, INC.** (the Department) and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Department's compliance with certain laws and regulations during the year ended September 30, 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.

The Department was not a recipient of any grant funding during the year ended September 30, 1999. However, the Department participates in sales and use tax collections with municipalities and other fire departments in Iberville Parish.

2. For each Federal, state, and local award, disbursements from such public funds administered during the period were tested.

The Department did not receive any Federal, state, and local awards, but did receive public funding from a sales and use tax collected in Iberville Parish. As a result, we have elected to select 6 disbursements for review.

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. The Department administers one fund.

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 treasurer and the Fire Chief.

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 Department did not receive any federal, state or local awards.

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.

The Department 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).

The Department 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 Department did not receive any federal, state, or local awards.

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 December 16, 1998, 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 the Department 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.

Faech & Winkler LLC

Certified Public Accountants

Baton Rouge, Louisiana
December 2, 1999

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

12/2/99 (Date Transmitted)

Faulk & Winkle, LLC

6811 Jefferson Hwy

Baton Rouge, LA 70806

(Auditors)

In connection with your compilation of our financial statements as of 9/30/99 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 12/2/99 (date of completion/respresentation).

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.

N/A

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.

N/A

Yes [] 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.

N/A

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).

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.

<u><i>Russ Lamb</i></u>	Secretary	<u>12-7-99</u>	Date
<u><i>Jim [unclear]</i></u>	Treasurer	<u>12/7/99</u>	Date
<u><i>John [unclear]</i></u>	President	<u>12-7-99</u>	Date