

We inspected copies of all bank deposits for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds or other indebtedness.

ADVANCES AND GIFTS

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

Upon review, we found no additional payments to employees which would constitute a violation of the above procedure. However, the former director of the club did violate state law as a result of over \$34,808 in theft of funds through unauthorized disbursements and forgery. The club has filed suit against the former employee, as well as the local banking institution. To date, no amounts have been recovered.

Also, during the performance of the above procedures, we noted that the Boys & Girls Club is in violation of the state law regarding financial reporting. That law requires the Club to submit its compiled financial statements within six months of year end. Management acknowledged its violation of the law and attributed that violation to clear oversight during the transition of executive directors. Furthermore, management has indicated that it no longer receives state funding and will not be required to submit financial reports in the future.

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 Boys & Girls Club of Natchitoches, Inc. 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. However, this report is a matter of public record and its distribution is not limited.


Johnson, Thomas & Cunningham, LLP's

June 2, 1997
Natchitoches, Louisiana

Upon review, we found no instances that would fall under the above circumstances.

BUDGETING

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

The Boys & Girls Club of Neighbors, Inc. is not required to adopt a budget.

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

Not applicable.

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

Not applicable.

ACCOUNTING AND REPORTING

8. Randomly select 5 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 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;

Each disbursement appeared to be coded correctly.

- (c) determine whether payments received approval from proper authorities;

Inspection of supporting documentation showed written approval. In addition, reimbursing entries were discussed and approved in the minutes.

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)

Not applicable.

BANK

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or any other indebtedness which have not been approved by the State Board Commission.

One of Three VSA's of Regional Expansion (overleaf)

And 28 Three VSA's of Regional Expansion

And 8 Cunningham VSA's of Regional Expansion

*2000 Annual Income
Audited Income 1999/00
2000/01/02
2001/02/03/04*

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

To the Board of Directors of
Boys & Girls Club of Natchitoches, Inc.

We have performed the procedures included in the Louisiana Governmental Audit Guide and summarized below, which were agreed to by the management of the Boys & Girls Club of Natchitoches, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Boys & Girls Club of Natchitoches, Inc.'s compliance with certain laws and regulations during the years ended December 31, 1999 and 2000 included in the accompanying Louisiana Affidavit 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 \$3,000, or public works exceeding \$10,000, and determine whether such purchases were made in accordance with LSA-RS 18:2101-2210 (the public bid law).

There were no capital expenditures exceeding the above dollar 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 42:1161-1174 (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 the required list including the noted information.

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

Management provided us with the required list.

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

AGREED-UPOON PROCEDURES

Days & Girls Club of Nashborough, Inc.
Notes to Financial Statements
December 31, 1998 and 1995

6. **Lease Commitments:**

There were no leases in effect during 1995 or 1996.

7. **Compensation Paid to Board Members:**

The members of the Board of Directors receive no compensation for their services.

8. **Cash and Investments:**

At December 31, 1998 cash and cash investments totaled \$16,642. There was a cash overdraft in the amount \$1,358 at December 31, 1995. Bank account balances at the end of each year were the same. Of the amounts held in commercial banks and savings and loan associations, one hundred percent was covered by Federal depositary insurance.

Cash and investments are categorized below to give an indication of the level of risk assumed by the Club at December 31, 1998. Category 1 includes cash that is held by the Club, cash and investments that are insured or registered, or investments held by the Club or it's brokers in the Club's name. Category 2 would include uninsured and unregistered investments for which the securities are held by the broker's dealer's trust department or agent, in the Club's name. Category 3 would include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Club's name.

	Category			Carrying Value	Market Value
	1	2	3		
Cash:					
Petty Cash	\$ 0	\$0	\$0	\$ 0	\$ 0
Demand Deposits	16,642	0	0	16,642	16,642
Total	\$16,642	\$0	\$0	\$16,642	\$16,642

9. **Income Taxes:**

The corporation applied for and received tax-exempt status under I.R.C. section 501(c)(13). Accordingly, the Club pays no income taxes.

Boys & Girls Club of Northbrook, Inc.
Notes to Financial Statements
December 31, 1996 and 1995

- F. **Long-Term Liabilities** - The Club had no outstanding long-term obligations at the end of either year.
- G. **Unpaid Accumulated Vacation Pay** - Employees of the Club may not carry forward unused vacation or sick time. Therefore, no account has been made for such pay.
- H. **Comparative Data** - Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Club's financial position and results of operations.
- I. **Cash Equivalents** - For purposes of cash flows, cash equivalents include all highly liquid deposits and debt instruments acquired with maturities of three months or less.
- J. **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.

3. Changes in Fixed Assets:

The following is a summary of changes in fixed assets for the Club for the two-year period ended December 31, 1996:

	Balance 12-31-95	1995 Additions	1996 Additions	Balance 12-31-96
Office Furniture & Fixtures	\$ 4,980	\$0	\$0	\$ 4,980
Machinery & Equipment	2,000	0	0	2,000
Automobiles	18,450	0	0	18,450
Totals	\$25,430	\$0	\$0	\$25,430

4. Retirement Commitments:

The Club has no pension plan for its employees.

5. Pending Litigation:

Boys & Girls Club of Northbrook, Inc., had no legal action pending as of or during either of the years ended December 31, 1995 and 1996 with the exception of litigation against the former executive director, Joe Luzzani and a local financial institution. That suit seeks full restitution in the amount of \$14,080 for forgery and theft of cash by Mr. Luzzani during his time of employment. Legal counsel is of the opinion that it is highly probable that little or no amount will be recovered from the bank for checks forged by Mr. Luzzani. Accordingly, no account has been made on the financial statements.

Boys & Girls Club of Natchitoches, Inc.
Notes to Financial Statements
December 31, 1998 and 1995

1. The Reporting Entity:

Boys & Girls Club of Natchitoches, Inc., was incorporated as a nonprofit organization on April 27, 1988, under the laws of the State of Louisiana. The corporation was formed as a youth service agency to provide behavior guidance and to promote the health, social, educational, vocational and character development of youth in the city of Natchitoches and surrounding areas within the parish, with special concern for those from disadvantaged circumstances.

The corporation operates under a twenty-member Board of Directors and is affiliated with the national organization, Boys and Girls Clubs of America, which assists the local clubs with fundraising, marketing and training. The average number of youth participating in the Club is approximately 700 per year.

2. Summary of Significant Accounting Policies:

The accounting and reporting policies of Boys & Girls Club of Natchitoches, Inc., conform to generally accepted accounting principles as applicable to non-profit organizations, and are applied on a consistent basis between periods.

The following is a summary of certain significant accounting policies and practices:

- A. Fund Accounting - The accounts of Boys & Girls Club of Natchitoches, Inc., are organized on the basis of a fund, which is a set of separate self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for based upon the purpose for which they are to be spent and the means by which spending activities are controlled.
- B. Basis of Accounting - The Club uses the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred. Purchase of various operating supplies are reported as expenditures at the time purchased.
- C. Budgets and Budgetary Accounting - The Boys & Girls Club is not required to adopt a budget. Accordingly, no budget comparisons have been presented.
- D. Fixed Assets - Depreciation on all depreciable fixed assets is charged as an expense against the operations of the Club. Assets are shown at cost. Depreciation has been provided over the estimated useful lives using the straight-line method. Accumulated depreciation at December 31, 1998, was \$102,240 and at December 31, 1995, \$14,121.
- E. Investments - Investments are stated at cost. However, the Club held no investments during the years presented herein.

NOTES TO FINANCIAL STATEMENTS

Boys & Girls Club of Northaches, Inc.
Statement of Cash Flows
Years Ended December 31, 1996 and 1995

	1996	1995
Cash Flows from Operating Activities-		
Excess of revenues over expenditures	\$16,771	\$(16,257)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,009	4,839
Accounts Receivable - Other	477	8
Accrued Payroll Taxes	(3,383)	(1,699)
Net Cash Provided by Operating Activities	\$18,080	\$(10,518)
Cash Flows from Investing Activities-		
Net Cash Provided by Investing Activities	\$____0	\$____0
Cash Flows from Financing Activities-		
Net Cash Provided by Financing Activities	\$____0	\$____0
Net Increase in Cash and Cash Equivalents	\$18,080	\$(10,518)
Cash and Cash Equivalents as of beginning of year	(3,333)	9,161
Cash and Cash Equivalents as of end of year	\$14,747	\$(-1,357)

See accountant's report and notes to financial statements.

Boys & Girls Club of Nashimookas, Inc.
 Statement of Revenues, Expenditures and Changes in Fund Balance-
 Years Ended December 31, 1996 and 1995

	1996	1995
REVENUES:		
Intergovernmental-Urban Affairs	\$ 0	\$ 25,080
Local Grants	135,175	138,017
Boys & Girls Club of America	11,980	0
Miscellaneous	22,473	28,085
Total Revenues	<u>\$169,528</u>	<u>\$291,182</u>
EXPENDITURES:		
Current:		
Administration Expenses	\$ 1,286	\$ 5,045
Automobile Expenses	1,750	930
Depreciation	4,039	4,839
Insurance	7,046	9,765
Legal & Professional	280	458
Office Supplies & Expense	18,288	17,539
Salaries	112,901	141,305
Travel & Training	2,568	3,247
Taxes	8,569	7,131
Total Expenditures	<u>\$158,215</u>	<u>\$189,259</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 16,772	\$ 11,923
OTHER EXPENDITURES:		
Losses arising from theft	_____	(28,080)
Excess (Deficiency) of Revenues over Expenditures after Other Expenditures	\$ 16,772	\$ (16,157)
Fund Balance-Beginning of Year	_3,217	_19,424
Fund Balance-End of Year	<u>\$ 19,989</u>	<u>\$ 3,267</u>

See accountant's report and notes to financial statements.

Boys & Girls Club of Nashborough, Inc.
Balance Sheet
December 31, 1986 and 1985

Assets	1986	1985
Current Assets-		
Cash	\$ 16,642	\$ (1,318)
A/R - Other	_____ 0	_____ 87
Total Current Assets	\$ 16,642	\$ (1,231)
Fixed Assets-		
Office Furniture & Fixtures	\$ 4,995	\$ 4,995
Machinery & Equipment	2,838	2,838
Auto & Trucks	18,438	18,438
Less, Accumulated Depreciation	(18,260)	(18,221)
Total Fixed Assets	\$ 7,983	\$ 11,240
 Total Assets	 \$ 24,625	 \$ 10,009
Liabilities & Fund Balance		
Liabilities-		
Accounts Payable	\$ 0	\$ 0
Accrued Payroll Taxes	3,858	3,186
Total Liabilities	\$ 3,858	\$ 3,186
Fund Balance-		
Unreserved-Unassigned	19,989	7,217
 Total Liabilities & Fund Balance	 \$ 23,847	 \$ 18,263

See accountants' report and notes to financial statements.

GENERAL PURPOSE FINANCIAL STATEMENTS

Johnson, Thomas & Cunningham

Chartered Accountants

*Suite 105, Johnson & Thomas, 1111 Poydras Street
New Orleans, Louisiana 70112, P.O. Box 1000
Phone: (504) 581-1111, Telex: 100000 JTC*

*1001 Poydras Street
New Orleans, Louisiana 70112
(504) 581-1111
TELEX 100000 JTC*

ACCOUNTANT'S REPORT

To the Board of Directors of
Boys & Girls Club of Natchitoches, Inc.

We have compiled the accompanying balance sheet of Boys & Girls Club of Natchitoches, Inc., as of December 31, 1986 and 1985, and the related Statement of Revenues, Expenses and Changes in Fund Balance, and Statement of Cash Flows for the years then ended in accordance with Statements on Standards established by the American Institute of Certified Public Accountants. The financial statements have been prepared on the modified accrual basis of accounting, which is the generally accepted accounting method established by the Governmental Accounting Standards Board for governmental units.

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 of them.

Johnson, Thomas & Cunningham
Johnson, Thomas & Cunningham, CPAs

June 2, 1987
Natchitoches, Louisiana

BOYS & GIRLS CLUB OF SAATCHICOCHES, Inc.
Annual Financial Report
DECEMBER 31, 1995 and 1994

TABLE OF CONTENTS

	Page
Accountant's Report	1
<i>General Purpose Financial Statements</i>	
Balance Sheet	3
Statement of Revenues, Expenditures and Changes in Fund Balance	4
Statement of Cash Flows	5
Notes to Financial Statements	6-9
<i>Agreed-Upon Procedures</i>	
Independent Accountant's Report on Applying Agreed-Upon Procedures	11-17

5393

OFFICIAL
COPY
FOR THE DISTRICT
COURT OF
SOUTH CAROLINA
AT CHARLOTTE
JAN 10 1968
CLERK OF COURT

BOYS & GIRLS CLUB OF NATCHITOCHEE, INC.
ANNUAL FINANCIAL REPORT
DECEMBER 31, 1965 & 1966

Annual Financial Report of the
Boys & Girls Club of Natchitoches, Inc.
for the years ending December 31,
1965 and 1966. This report was
prepared by the Board of Directors
and is subject to the audit of the
auditor. The Board of Directors
is composed of the following members:
President: _____
Secretary: _____
Treasurer: _____
Members: _____

100
100
100
100
100
100
100
100
100
100