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EIGHTH WARD VOLUNTEER FIRE DEPARTMENT

**FINANCIAL STATEMENTS
URBAN FIRE DISTRICT NO. 2 CORNERED BRANTWOOD FUND**

As of and for the Two Years Ended December 31, 1934

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the Auditor, or controller, justice and other appropriate public officials. This report is available for public inspection at the State House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Printed Date April 20, 1935

SEVEN HUND THIRTYEVEN FIRE DEPARTMENT

FINANCIAL STATEMENTS

Fire District No. 2 General Restricted Fund

As of and for the Ten Years Ended December 31, 1990

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Independent Auditor's Report on Compliance
Based on an Audit of Financial Statements
Performed in Accordance with Government
Auditing Standards

Durnin & James

CHARTERED PUBLIC ACCOUNTANTS

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"A Professional Corporation"

No. 104
American Institute of
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Charles D. Mathers, CPA
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No. 104
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Public Accountants

July 18, 1987

INDEPENDENT AUDITOR'S REPORT

To the Officers of
Eighth Ward Volunteer Fire Department,
Roberts, Louisiana

We have audited the accompanying statement of financial position of the Rural Fire District No. 2 Current Restricted Fund of the Eighth Ward Volunteer Fire Department, a not-profit organization as of December 31, 1986, and the related statements of activities and cash flows for the two years then ended. These financial statements are the responsibility of the Fire Department's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rural Fire District No. 2 Current Restricted Fund of the Eighth Ward Volunteer Fire Department as of December 31, 1986, and the results of operations and cash flows for the two years then ended in conformity with generally accepted accounting principles.

As discussed in Note 7 to the financial statements, in 1986 Eighth Ward Volunteer Fire Department changed its method of accounting for contributions and its method of financial reporting and financial statement presentation in accordance with Statements of Financial Accounting Standards No. 118 and 117.

Respectfully submitted,


DURNIN & JAMES, CPAs

FINANCIAL STATEMENTS

BOONVILLE RANGERS VOLUNTEER FIRE DEPARTMENT
STATEMENT OF FINANCIAL POSITION -
BOONVILLE DISTRICT NO. 3 CURRENT RESTRICTED FUND

December 31, 2014

ASSETS		—
Current Assets:		
Cash and cash equivalents		\$ 21,700
Receivable (net of allowances for uncollectible)		
Fire Protection District No. 3 contract fees		24,000
Total Current Assets		45,700
TOTAL ASSETS		\$ 45,700
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable		\$ —
TOTAL CURRENT LIABILITIES		—
TOTAL LIABILITIES		\$ —
NET ASSETS		
Permanently Restricted		\$ 45,700
TOTAL NET ASSETS		\$ 45,700
TOTAL LIABILITIES AND NET ASSETS		\$ 45,700

The accompanying notes are an integral part of this statement.

EIGHTH WARD VOLUNTEER FIRE DEPARTMENT

STATEMENT OF ACTIVITIES

FIREL FIRE DISTRICT NO. 2 COUNTY OF COOK COUNTY, ILL.

For the Two Years ended December 31, 1990

	UNRESTRICTED REVENUES	
	1990	1989
REVENUES:		
Support and Revenues:		
Fire District No. 2 Contract Fees:		
Ad valorem taxes	\$ 20,725	\$ 20,584
State revenue sharing	25,000	22,574
Fire insurance premium rebates	5,171	5,250
Interest Income	478	500
Miscellaneous	1,522	1,401
TOTAL SUPPORT AND REVENUES	\$ 53,896	\$ 50,309
EXPENSES:		
Program Services - Fire Protection:		
Insurance	\$ 4,881	\$ 3,807
Repairs and maintenance	5,255	12,077
Fire station supplies	780	807
Fuel	3,890	2,711
Utilities	4,218	3,480
Telephone	2,857	2,700
Auto service	8,400	8,400
Other	2,390	000
Supporting Services:		
Accounting Fees	-----	-----
TOTAL EXPENSES	\$ 35,861	\$ 33,172
CHANGE IN NET ASSETS	\$ 18,035	\$ 17,137
NET ASSETS AT BEGINNING OF YEAR	40,817	43,881
Equipment purchased	(13,521)	(23,000)
NET ASSETS AT END OF YEAR	\$ 27,296	\$ 20,881

The accompanying notes are an integral part of this statement.

EIGHTH ROAD VOLUNTEER FIRE DEPARTMENT
 STATEMENT OF CASH FLOW -
 DEMO. FIRE DISTRICT NO. 2 (CURRENT RESTRICTED FUND)

For the Two Years Ended December 31, 1996

	<u>1996</u>	<u>1995</u>
CASH FLOW FROM OPERATING ACTIVITIES:		
Change in NET ASSETS		
adjustments to reconcile Change in Net Assets		
to NET Cash Used by Operating Activities:		
(Increase) Decrease in Accounts Receivable	128,438	3,471
Increase (Decrease) in Accounts Payable	1,1,838	4,1,455
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 17,965	\$ 14,926
CASH FLOW FROM INVESTING ACTIVITIES:		
Equipment purchased	(217,322)	(222,690)
NET CASH FLOW FROM INVESTING ACTIVITIES	(217,322)	(212,617)
NET INCREASE (DECREASE) IN CASH	\$ 543	\$ 2,309
CASH AT BEGINNING OF YEAR	18,188	15,789
CASH AT END OF YEAR	\$ 18,731	\$ 18,098

The accompanying notes are an integral part of this statement.

EDGEMO HAZARDOUS WASTE FIRE DEPARTMENT

INDEX TO THE FINANCIAL STATEMENTS

As of and for the Ten Years Ended December 31, 1996

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THIRTEEN MONTH VOLUNTARIAN FIRE DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

operations or cash flows for the two years then ended in conformity with generally accepted accounting principles.

The Rural Fire District No. 2 current fund is considered restricted because under the terms of the contract with the Rural Fire Protection District No. 2 of Tangipahoa Parish these funds "shall be expended solely for the purpose of operating, maintaining and/or purchasing of equipment and supplies, and salaries if approved by Fire District No. 2."

C. SUPPORT AND REVENUE

Support consists primarily of contract payments received from Rural Fire Protection District No. 2 of Tangipahoa Parish in the form of ad valorem taxes, state revenue sharing funds and fire insurance rebate funds. The fire department receives a percentage of the total funds available to Rural Fire Protection District No. 2 based on formula contained in the original contract agreed to by all participating fire departments in Tangipahoa Parish. The ad valorem tax allocation is established in January of each year and disbursed by Rural Fire Protection District No. 2 on a quarterly basis. State revenue sharing and fire insurance rebate funds are disbursed to participating fire departments by Rural Fire Protection District No. 2 as the funds become available. As a result, ad valorem taxes and interest income is recognized as income in the period earned. State revenue sharing funds, fire insurance rebate funds and all other revenues are recognized as income when received.

D. CASH

Cash includes interest bearing demand deposits.

E. INCOME TAXES

The Organization is non-profit and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision is made for income taxes.

F. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Organization's financial instruments, some of which are held for trading purposes, include cash. The following methods and assumptions used by the Organization in estimating its fair value disclosures for financial instruments are:

Cash: The carrying amounts reported in the statement of financial position approximate fair value because of the short maturities of those instruments.

EIGHTH WARD VOLUNTEER FIRE DEPARTMENT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

G. 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.

H. STATEMENT OF CASH FLOWS

FOR the purposes of the statement of cash flows, all investments with a maturity of 90 days or less from the date of purchase are considered to be cash equivalents.

I. FINANCIAL STATEMENT PRESENTATION

In 1996 the organization elected to adopt statement of financial accounting standards (SFAS) NO. 117, "Financial Statements of Not-For-Profit Organizations". UNDER SFAS NO. 117, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the organization is required to present a statement of cash flows. As required by this new statement, the organization has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the three classes of net assets required. This reclassification had no effect on the change in net assets for 1996 or 1995.

J. CONTRIBUTIONS

The organization also elected to adopt SFAS No. 116, "Accounting for Contributions Received and Distributions Made," in 1996. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. The adoption of SFAS NO. 116 had no effect on net assets or the change in net assets as of or for the two years ended December 31, 1996.

K. CASH

Cash at December 31, 1996, consisted of the following:

Interest Bearing Demand Deposits	\$ 28,277
TOTAL	\$ 28,277

L. RECEIVABLES

Receivables include amounts due from Rural Fire Protection District No. 2 as of December 31, 1996, and are summarized as follows:

STOUT WARD VOLUNTARY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Rural Fire Rural Fire Protection District No. 2:

ad valorem taxes

4,282,000

No allowance for uncollectible amounts is required at December 31, 1994.

4. CONTRACT WITH RURAL FIRE PROTECTION DISTRICT NO. 2

The Tangipaha Parish Council (the parish governing authority) created Rural Fire Protection District No. 2 of Tangipaha Parish (District) funded by an ad valorem tax to provide fire protection and emergency response services in the rural areas of the parish. The boundaries of the District include the unincorporated area of Tangipaha Parish.

The Fire Department entered into an agreement with Rural Fire Protection District No. 2 to provide fire protection and emergency response services in the unincorporated rural areas in the community of Robert. Funding is provided by an ad valorem tax and related state revenue sharing.

Under the terms of the contract with the District, these funds shall be expended solely for the purpose of operating, maintaining, and/or purchasing of equipment or supplies and salaries if approved by Fire District No. 2. Equipment purchased remains the property of the Fire District and is not recorded in the accompanying financial statements.

5. DEBATED SERVICES AND FACILITIES

All of the Fire Department's program services are provided by volunteers. No amounts have been included in the financial statements for donated services (over an objective basis is available to measure the value of such services and facilities).

6. FAIR VALUES OF FINANCIAL INSTRUMENTS

The estimated fair values of the Fire Department's financial instruments, one of which are held for trading purposes, are as follows:

	CURRENT ASSETS	FAIR VALUE
Financial Assets:		
Cash	4,282,000	4,282,000

OTHER REPORTS RECEIVED BY GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS

Durnin & James

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July 18, 1977

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN ASSESSMENT OF FINANCIAL STATEMENTS PREPARED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To The DIRECTORS of
Eighth Ward Volunteer Fire Department
Berkley, Louisiana

We have audited the financial statements of the Eighth Ward Volunteer Fire Department, a non-profit organization, for the two years ended December 31, 1976, and have issued our report thereon dated July 18, 1977.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements of the Eighth Ward Volunteer Fire Department for the two years ended December 31, 1976, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and NOT to provide assurance on the internal control structure.

The management of the Eighth Ward Volunteer Fire Department is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are recorded in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following description:

FOURTH YEAR VOLUNTARY FIRE DEPARTMENT

Administrative Matters

Cash

Support, Resources and Related Materials

Receipts and Arrears Payable

For all of the control categories listed above, we obtained an understanding of the nature of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters relating to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

ADMINISTRATIVE MATTERS:

BUDGET:

Conditions: During our audit and review of administrative matters, we noted the Fire Department did not adopt a budget for 1996. A budget is recommended to help insure that financial resources are expended in accordance with management's intent. This condition was noted in the prior year audit report.

Recommendation: We recommend the Fire Department adopt a budget at the beginning of each fiscal year and review actual expenditures versus budgeted expenditures on a quarterly basis.

Management's Response: In a letter dated August 14, 1997, the Fire Department indicated that it will adopt an operating budget at the beginning of each year and will review actual expenditures versus budgeted expenditures on a quarterly basis.

FEDERAL INCOME TAX MATTERS:

Conditions: During our audit we noted the Fire Department did not file a federal income tax return for 1995 or 1996. Federal law requires nonprofit organizations to file a tax return when gross receipts exceed \$25,000, annually. This condition was noted in the prior year audit report.

Recommendation: The Fire Department should review the tax return filing requirements for nonprofit organizations and file an income tax return when required.

Management's Response: In a letter dated August 18, 1997, the Fire Department indicated that it will review the tax return filing requirements for nonprofit organizations and will file an income tax return when required.

INVOICES NOT MAILED PROPERLY:

Condition: During our audit and testing of expenditures, we noted some invoices 99-107

BOARD OF VOLUNTARY FIRE MEMBERS

marked paid nor did they contain the signature of the Fire Chief documenting his review and approval of the invoice.

Recommendation: We recommend the Department stamp the face of each invoice with a stamp containing the date paid, check number, and approval signature of the Fire Chief. Further, we recommend a copy of the monthly Disbursement Journal be provided to the Board at the monthly meeting for their review and approval.

Management's Response: In a letter dated August 14, 1991, the Fire Department indicated that it will procure a stamp containing date paid, check number, general ledger distribution, and approval signature to properly define invoice. Further, the Department will provide each Board Member a copy of the previous month's Disbursement Journal at each regular monthly board meeting for their review and approval of invoices paid.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does NOT reduce to a reasonably low level the risk that errors or irregularities in accounts that could be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all weaknesses in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are not considered to be material weaknesses as defined above. However, we believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the officers, Rural Fire Protection District No. 3 of Thompson Parish and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

Respectfully submitted,



DURBIN S. JAMES, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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July 18, 1997

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN ASSESSMENT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Officers of
Eighty-Ninth Volunteer Fire Department,
Bossier, Louisiana

We have audited the financial statements of EIGHTY-NINTH VOLUNTEER FIRE DEPARTMENT, a non-profit organization as of and for the two years ended December 31, 1996, and have issued our report thereon dated July 18, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Eighty-Ninth Volunteer Fire Department is the responsibility of Eighty-Ninth Volunteer Fire Department's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of Eighty-Ninth Volunteer Fire Department's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

Material instances of noncompliance are failures to following requirements or violations of prohibitions contained in laws, regulations, contracts, or grants that cause us to conclude that the aggregation of misstatements resulting from those failures or violations is material to the general purpose financial statements. The results of our tests of compliance disclosed the following material instances of noncompliance.

COMPLIANCE WITH STATE LAW

Accounting and Auditing Laws

The Department did not comply with certain accounting and auditing requirements imposed by state law. Accounting and auditing procedures applicable to the Department are specified in state law, Louisiana Revised Statutes (RS-R.S.) 24:513 and 24:514 and 24:503. The pertinent parts of the law and the manner in which the Department failed to comply with the law are as follows:

EIGHTH WARD VOLUNTARY FIRE DEPARTMENT

State Law 166-S.S. 24:145 requires political subdivisions to "designate an officer for their secretary/treasurer or principal financial officer where their books and records must be kept." "All accounts of such public funds shall be kept in the form prescribed by the legislative auditor and he shall have the authority to install a system of accounting in any office which he is authorized to examine and audit." As a minimum, the Department is required to maintain a cash receipts journal, cash disbursements journal, and a general ledger.

Findings: During the course of our audit, we noted the Department does not maintain a cash receipts journal, cash disbursements journal or general ledger.

Failure to maintain an accurate cash receipts journal, cash disbursements journal and a general ledger places the Department in noncompliance with state law and reduces the effectiveness of the department's control and management of its public funds. This condition was noted in the prior year audit report.

Recommendation: We recommend the Department maintain an accurate cash receipts journal, cash disbursements journal and general ledger for its most recent account in compliance with state law. Monthly financial statements can then be prepared from the general ledger.

Management's Response: In a letter dated August 14, 1997, the Fire Department indicated that it agrees to maintain a cash receipts and cash disbursements journal for all accounts.

Audit Report Filing Requirements

The Fire Department did not comply with certain audit report filing requirements imposed by state law. Audit report filing requirements applicable to the Fire Department are specified in state law, Louisiana Revised Statutes 166-S.S. 24:813(A) (3) (a). The pertinent parts of the law and the manner in which the Fire Department failed to comply is as follows:

State law requires that audits be completed and transmitted to the Louisiana Legislative Auditor within six months of the close of the entity's fiscal year.

Findings: The Fire Department did not complete and transmit a copy of the audit report for the two years ended December 31, 1996, to the Louisiana Legislative Auditor by June 30, 1997. Improvement is needed in this area to make sure the required audit is completed in a timely manner. This condition occurred because the Fire Department did not provide the records necessary to audit its financial statements for the two years ended December 31, 1994, until June 11, 1997. This did not allow the auditor sufficient time to perform all audit tests required and complete the audit by June 30, 1997. As a result, this audit report was not filed timely and places the Fire Department in noncompliance with state law.

Recommendation: We recommend the Fire Department advise the members of a certified public accountant to conduct any required audits prior to the end of the fiscal year to be audited. This would allow the auditor six months to complete the audit and deliver the report. Additionally, we recommend the Fire Department provide the necessary records as soon as feasible after the end of the fiscal year.

EIGHTH WARD VOLUNTEER FIRE DEPARTMENT

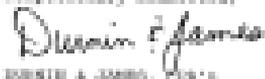
Management Response: In a letter dated August 26, 1997, the Fire Department indicated that it intends to retain the services of a certified public accountant to conduct any required audits prior to the end of the fiscal year to be examined.

We considered these instances of noncompliance in forming our opinion on whether the Department's 1996 financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated July 18, 1997, on those statements.

Except as described above, the results of our tests of compliance indicate that, with respect to the items tested, Eighth Ward Volunteer Fire Department complied, in all material respects, with the provisions referred to in the third paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Eighth Ward Volunteer Fire Department had not complied, in all material respects, with those provisions.

This report is intended for the information of the Officers, Rural Fire Protection District No. 2 of Tangipahoa Parish and the Louisiana Legislative Auditor. Your Federation is not intended to limit the distribution of this report which, upon acceptance by the Board of Directors of the Eighth Ward Volunteer Fire Department, No. 01, Louisiana is a matter of public record.

Respectfully submitted,


DENNIS J. LAMB, CPA

Durnin & James

MEMBERSHIP ACCOUNTING

John H. Durnin, CPA*
Dennis E. James, CPA*
IA Professional Designation

Charles B. Anderson, CPA
Raymond L. Gandy, CPA

MEMBERSHIP ACCOUNTING
CONSULTANTS

MEMBERSHIP ACCOUNTING
CONSULTANTS

August 14, 1997

Members of the Board of Directors
Eighth Ward Volunteer Fire Department
Robert, Louisiana

We have audited the financial statements of the Eighth Ward Volunteer Fire Department for the two years ended December 31, 1996, and have issued our report thereon dated July 18, 1997. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated May 9, 1997, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement. Because of the nature of reasonable assurance, and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As part of our audit, we considered the internal control structure of the Eighth Ward Volunteer Fire Department. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control structure.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Eighth Ward Volunteer Fire Department's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application.

The significant accounting policies used by the Eighth Ward Volunteer Fire Department are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 1996 and 1997, other than changing its method of accounting for contributions and its method of financial reporting and financial statement preparation in accordance with Statements of Financial Accounting Standards No. 118 and 117. We noted no transactions entered into by the Eighth Ward Volunteer Fire Department during the two years that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from management's current judgments.

Management's estimate of the allowance for doubtful accounts is based on historical analysis of the collectibility of individual accounts receivable. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the Eighth Ward Volunteer Fire Department that could potentially cause future financial statements to be materially misstated, even though we have concluded that such adjustments are not material to the current financial statements.

We proposed several audit adjustments related to accounts receivable and accounts payable. The corrections were not considered material in relation to the financial statements of the Eighth Ward Volunteer Fire Department taken as a whole. The Fire Department has agreed to the proposed audit adjustments and will record the adjustments in the accounting records of the Eighth Ward Volunteer Fire Department for the two years ended December 31, 1996.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Consultations with Other Independent Accountants

To the best of our knowledge, management has not consulted with or obtained opinions from other independent accountants during the past two years that are subject to the requirements of Statement on Auditing Standards No. 82, "Opinion on the Application of Accounting Principles."

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing our audit.

This report is for the information of management, the Louisiana Legislative Auditor and the Census Bureau. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Fire Chief and Board of Directors of the Eighth Ward Volunteer Fire Department, is a matter of public record.

Respectfully submitted,


DURBIN J. JAMES, CPA's

DJJ/tdm