

5805

JOHN D. BUTLER & COMPANY  
A PROFESSIONAL ACCOUNTING CORPORATION  
1111 11th St  
BIRMINGHAM, ALABAMA 35204-0001

RECEIVED

ORIGINAL  
FILED COPY  
**DO NOT SEND OUT**  
Check company  
records before this  
copy and check  
back in file

(205) 773-6822

DEC 30 1998

1111 11th Street

INDEPENDENT AUDITOR'S REPORT

November 2, 1998

To the Board of Directors of  
Pelliciana Center, Inc.

We have audited the accompanying Statement of Financial Position of The Recreation Fund, a component unit of the Pelliciana Center, Inc. (a non-profit organization), as of June 30, 1998, and the related Statements of Activity and Changes in Cash Flows for the year then ended. These financial statements are the responsibility of the organization'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 the 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. 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 Recreation Fund of the Pelliciana Center, Inc. as of June 30, 1998, and the results of its operations and the changes in its cash flows for the year then ended in conformity with generally accepted accounting principles.

Feliciana Center, Inc.  
November 2, 1996  
page 2

In accordance with Government Auditing Standards, we have also issued a report dated November 2, 1996, on our consideration of Feliciana Center, Inc.'s internal control structure and a report dated November 2, 1996, on its compliance with laws and regulations.



John D. Butler & Co.  
A Prof. Accounting Corp.  
By: John D. Butler, CPA

JDB/jc

UNSW providers of state law, this report is a public document. A copy of the report has been submitted to the audited, or 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.

Release Date \_\_\_\_\_

FELICIANA CENTER, INC.  
 RECREATION FUND  
 STATEMENT OF FINANCIAL POSITION  
 JUNE 30, 1966

<b>ASSETS</b>	
Cash in bank	\$ 122.47
Total Assets	122.47
<b>LIABILITIES</b>	
Accounts payable	450.00
Payroll taxes payable	225.77
Total Liabilities	675.77
<b>NET ASSETS</b>	
Restricted (Deficit)	(553.30)
Total Liabilities and net assets	122.47

See Accompanying Notes.

FELICIANA CENTER, INC.  
 RECREATION FUND  
 STATEMENT OF ACTIVITIES  
 YEAR ENDED JUNE 30, 1966

Temporarily Restricted Net Assets	
Support	
Grant received	\$ 7,000.00
Donations	— 460.00
Total Restricted Support	7,450.00
	*****
Restrictions Satisfied by Payments	
Personnel	2,481.00
Operating expenses	2,824.25
Program activities	— 291.50
Total Payments	5,596.75
Net decrease in temporarily restricted net assets	(846.75)
Net assets at beginning of year	— 81.00
Net assets at end of year	(846.75)
	*****

See Accompanying Notes.

FELICIANA CENTER, INC.  
RECREATION FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 1996

Cash Flows from Operating Activities:	
Cash received from grants	\$ 3,000.00
Cash received from donations	450.00
Cash paid to employees	(2,481.89)
Cash paid to suppliers	(3,850.55)
Net Cash Provided by Operating Activities	76.56
Beginning Cash	<u>61.03</u>
Ending Cash	<u>137.59</u>
Reconciliation of decrease in net assets to net cash provided by operating activities:	
Net decrease in net assets	(657.33)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities	
Increase in accounts payable	450.00
Increase in payroll taxes payable	<u>279.77</u>
Total Adjustments	<u>729.77</u>
Net Cash Provided by Operating Activities	76.56

See Accompanying Notes.

**FELICIANA CENTER, INC.**  
**RECREATION FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 1996**

**NOTE A - Nature of Activities and Significant Accounting Policies**

**Nature of Activities**

Feliciana Center, Inc. seeks to serve the needs of the residents of Louisiana and specifically the citizens of East Feliciana Parish by providing afternoon tutorial and recreational programs for students. They have implemented a tutorial program to service students in East Feliciana Parish Schools, Monday - Thursday from 4 PM to 6 PM. Recreational activities will be provided from 6 PM to 7 PM at the Feliciana Parish Center.

In order to fund the above services, the Feliciana Center, Inc. has contracted with the governor's office of Urban Affairs and Development for a grant of \$7,000.00. In addition, \$400.00 was donated to the organization from outside sources.

**Financial Statement Presentation**

The organization has presented its financial statements in accordance with the 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.

**Income Taxes**

The organization is a not-for-profit organization that is exempt from income taxes.

**Cash Flows**

All cash is deposited in the bank. The organization would consider all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

FELICIANA CENTER, INC.  
RECREATION FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1998

**NOTE B - RESTRICTIONS ON NET ASSETS**

The restrictions on net assets relate to the grant received. All of the grant is restricted to providing tutorial and recreational activities for students of the East Feliciana School System. Likewise, the donations from outside services were also restricted. All of the monies have been disbursed as of June 30, 1998 and a deficit has been created in the fund due to unpaid bills for taxes and audit work.

JOHN D. BUTLER & COMPANY  
A PROFESSIONAL ACCOUNTING CORPORATION  
715 WEST 30  
BANK, URBANA, ILLINOIS  
664-775-6887

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

November 2, 1996

To the Board of Directors of  
Pelliciana Center, Inc.

We have audited the financial statements of The Recreation Fund of the Pelliciana Center, Inc. (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued our report dated November 2, 1996.

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.

The management of Pelliciana Center, Inc. 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 executed 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 on 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.



Felicians Center, Inc.  
November 1, 1956  
page 2

In planning and performing our audit of the financial statements of Felicians Center, Inc. for the year ended June 30, 1956, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in accounts that would 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. We noted no matters involving the internal control structure and its operation that we considered to be material weaknesses as defined above.

This report is intended for the information of the Board of Directors, Management, and the Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.



John P. Butler & Company  
A Prof. Accounting Corp.

JOHN D. BUTLER & COMPANY  
A PROFESSIONAL ACCOUNTING CORPORATION  
P. O. BOX 30  
BASKET, BOSTON, MASSACHUSETTS  
TELEPHONE 775-4862

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

November 2, 1996

To The Board of Directors  
Pelliciana Center, Inc.

We have audited the financial statements of The Recreation Fund of the Pelliciana Center, Inc. (a nonprofit organization) as of and for the year ended June 30, 1996, and have issued our report thereon dated November 2, 1996.

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

The results of our tests disclosed the following instances of noncompliance that are required to be reported under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in Pelliciana Center, Inc.'s 1996 financial statements.

Feliciana Center, Inc.  
November 2, 1966  
page 2

No federal withholding tax reports have been filed by Feliciana Center, Inc. The resulting liability in the financial statements at June 30, 1966 do not include any interest or penalties that may be due.

A loan was made to the General Fund of the organization for \$1,000.00 and was outstanding for a period of time. This was grant money and was restricted as to its use.

We considered these instances of noncompliance in forming our opinion on whether Feliciana Center, Inc.'s 1966 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 November 2, 1966, on those financial statements.

This report is intended for the information of the board of Directors, management and legislative auditor. However, this report is a matter of public record, and its distribution is not limited.



John D. Butler & Company  
& Prof. Accounting Corp.