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SEVEN WARS/FOURTH LAND SECTION CENTER, 1981-

**FINANCIAL STATEMENTS AND  
RECEIPTS REPORT**

June 30, 1981

Under provisions 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: SEP 18 1986

SEVEN HILLS/FOLEY LAW GROUP CENTER, INC.

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	3
BALANCE SHEET	4
STATEMENT OF REVENUE AND EXPENDITURES	5
STATEMENT OF CHANGES IN FUND BALANCE	6
STATEMENT OF CASH FLOW	7
NOTES TO FINANCIAL STATEMENTS	8
SUPPLEMENTAL INFORMATION	
COMBINED STATEMENT OF REVENUE AND EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)	10
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURES BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"	12
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LAWS, REGULATIONS, CONTRACTS, AND GRANTS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"	13
MANAGEMENT'S RESPONSE TO AUDIT FINDINGS	

# Justin J. Scanlan, C.P.A.

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Seven Ward/Violet Land Senior Center, Inc.

I was engaged to audit the balance sheet of Seven Ward/Violet Land Senior Center, Inc. a nonprofit corporation as of June 30, 1996, and the related statements of revenue and expenditures, changes in fund balances, and cash flows for the period July 1, 1993 through June 30, 1996. These financial statements are the responsibility of management. Supporting documentation was not adequate to support the accounting records. Accordingly, it was not practical for me to extend my audit of such records beyond the amounts recorded. Because I was unable to obtain sufficient supporting documentation, the scope of my work was not sufficient to enable me to express, and I do not express, an opinion on the financial statements referred to above.

The financial statements of Seven Ward/Violet Land Senior Center, Inc. as of June 30, 1996 and for the period July 1, 1993 through June 30, 1996, and my disclaimer of an opinion thereon, are presented in the preceding paragraph of this report. The accompanying financial information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements. For the reason described in my disclaimer of opinion on the basic financial statements, I am also unable to express, and I do not express, an opinion on the supplementary information referred to above.

In accordance with government auditing standards, I have also issued reports dated June 19, 1996, on my consideration of Seven Ward/Violet Land Senior Center, Inc.'s internal control structure and on its compliance with laws and regulations.

*Justin J. Scanlan, CPA*

New Orleans, Louisiana  
June 19, 1996

SEVEN HILLS/PIKETT LAMB SERVICE CENTER, INC.

BALANCE SHEET

June 30, 1995

ASSETS

Cash		\$	47
Receivables - other			555
Prepaid and expensed-in-kind costs net			
- transportation equipment	\$ 20,520		
- net accumulated depreciation	<u>1,375</u>		
			<u>21,792</u>
			<u>22,314</u>

LIABILITIES AND FUND BALANCE

Accounts payable and accrued liabilities	\$	1,500
Contingency - State of		-
Fund balance - State of		
		<u>14,000</u>
		<u>14,000</u>

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

SEVEN HILLS/FOLEY LAND REVENUE CENTER, INC.

STATEMENT OF REVENUE AND EXPENSES

FOR the period July 1, 1981 through June 30, 1982

**REVENUE**

Grant appropriations (State)	\$ 120,000
Other	5,000
	<u>125,000</u>

**EXPENSES**

Salaries	\$4,000
Printing materials	2,100
Travel	00
Telephone expense	24,000
Equipment expense	000
Insurance	20,000
Religious expense	2,000
Professional services	2,000
Program materials	20,000
Supplies	10,000
Capital outlay	0,000
Other	0,000
	<u>100,000</u>

<b>EXCESS OF REVENUE OVER EXPENSES:</b>	<u>\$ 25,000</u>
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The accompanying notes are an integral part of this financial statement.

SEVEN WINDFOLDED LAKE SENIOR CENTER, INC.

STATEMENT OF CHANGES IN FUND BALANCE

FOR the period July 1, 1999 through June 30, 1999

Fund balance, beginning of period	\$ -
Excess of revenue over expenditures	<u>14,853</u>
Fund balance, end of period	<u>\$ 14,853</u>

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

SEVEN MARIPOSA/LAKE MICHIGAN CORP., INC.

STATEMENT OF CASH FLOW

For the period July 1, 1985 through June 30, 1985

Increase (decrease) in cash and cash equivalents			
Cash flows from operating activities:			
Receipts of revenues other than operations		\$	24,100
Adjustments to reconcile amount of revenues from operations to net cash flow by operating activities:			
Depreciation	\$	5,700	
Changes in assets and liabilities:			
Increase in other receivables	\$	250	
Increase in accounts payable and accrued liabilities	<u>1,500</u>		<u>3,410</u>
			<u>29,560</u>
Net cash provided by operating activities			<u>29,560</u>
Cash flows from financing activities:			
Acquisition of long-term investments Net cash used in financing activities			<u>(20,000)</u>
			<u>9,560</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			41
Cash and cash equivalents, beginning of period			<u>100</u>
Cash and cash equivalents, end of period			<u>141</u>

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

GREEN WARD/VIOLET LEAD SERVICE CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 1988

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A summary of the corporation's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

**1. Organization**

GREEN WARD/Violet Lead Service Center, Inc. was organized to provide persons, age 18 years and older or disabled, mental services that will encourage them to be educated about issues that affect the mature adult, as well as remain healthy through recreation and socialization.

**2. Presentation of Financial Statements**

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles. The statements present all programs administered by Green Ward/Violet Lead Service Center, Inc. for the period July 1, 1983 through June 30, 1988. They are presented on the accrual basis of accounting.

**3. Method of Accounting**

The records are maintained in accordance with the principles of fund accounting. Accordingly, resources for various programs are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund.

**4. Depreciation**

Depreciation is provided for in amounts sufficient to reflect the cost of depreciable assets to expenditures over their estimated service lives, principally on the straight-line method. Depreciation expense for the period July 1, 1983 through June 30, 1988 totaled \$3,755.

**5. Cash Equivalents**

For purpose of the statement of cash flows, the corporation considers all investments with original maturities of three months or less to be cash equivalents.



SEVEN MARSH/FIELD/LAND DESIGN CENTER, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

JUNE 30, 1995

**NOTE B - FUND BALANCE**

As of June 30, 1995, the fund balance deficit consists of the following:

General Fund	\$ 42,214
Property and equipment	<u>28,387</u>
	<u>\$ 13,827</u>

**NOTE C - SUMMARY OF FUNDING**

Seven Marsh/Field/Land Design Center, Inc. funding for grants and contracts consists of the following:

Source	Fiscal	Revenue Amount/Date
Division's Office of Urban Affairs and Development	01/95 - 01/96	\$ 40,000
	02/95 - 02/96	<u>110,000</u>
		<u>\$ 150,000</u>

**NOTE D - CONTINGENCY**

The corporation is engaged in litigation from an accident with the driver van which resulted in a fatality. In the opinion of management, the ultimate outcome of the lawsuit is undeterminable at this time.

**NOTE E - RENTAL EXPENSE**

The rental expense for the corporation totaled \$ 5,788 for the period June 1, 1995 through June 30, 1995.

**NOTE F - INCOME TAXES**

The corporation is exempt from corporate income taxes under Section 513(c)(2) of the Internal Revenue Code.

**NOTE G - BOARD OF DIRECTORS' COMPENSATION**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

## SUPPLEMENTAL INFORMATION

1950-1951 FEDERAL BUDGET DEFICIT, 1950

COMBINED DEFICIT OF FEDERAL GOVERNMENT AND STATE AND LOCAL GOVERNMENTS IN FISCAL YEAR 1950

For the period July 1, 1950 through June 30, 1951

	For the period ending 6/30/51	For the period ending 6/30/50	Change
<b>DEFICIT</b>			
Federal Government	10,000	10,000	0
State and Local Governments	10,000	10,000	0
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>
<b>DEFICIT</b>			
Federal Government	10,000	10,000	0
State and Local Governments	10,000	10,000	0
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>
<b>DEFICIT</b>			
Federal Government	10,000	10,000	0
State and Local Governments	10,000	10,000	0
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>

# Justin J. Scamlan, C.P.A.

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

Board of Directors  
Seven Hard/Field Land Senior Center, Inc.

I have audited the financial statements of Seven Hard/Field Land Senior Center, Inc. in nonprofit corporation, as of June 30, 1995 and for the period July 1, 1993 through June 30, 1994, and have issued my report thereon dated June 19, 1995. In my report, my opinion was a disclaimer due to inadequate supporting documentation of the accounting records.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of Seven Hard/Field Land Senior 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, 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, irregularities or instances of noncompliance 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.

In planning and performing my audit of the financial statements of Seven Hard/Field Land Senior Center, Inc. for the period July 1, 1993 through June 30, 1994, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed general risk in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment,

would adversely affect the Corporation's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

The reportable conditions noted are as follows:

**1. Segregation of Duties**

Due to the size of the administrative staff, the corporation is too small to afford a meaningful segregation of duties. All authorizations and approvals of cash disbursements are performed by the executive director.

Recommend the Board of Directors increase its presence by reviewing the financial statements monthly.

**2. Payroll Tax Returns and Deposits**

The payroll tax returns and deposits are not filed timely.

Recommend all payroll tax returns and deposits be filed in accordance with the regulations promulgated by the Internal Revenue Service.

**3. Insurance Coverage**

A review of the insurance coverage noted the general liability and auto coverage appears low.

Recommend the corporation review its existing coverage with its insurance representative, and increase its coverage as noted above.

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 relatively low level the risk that errors or irregularities in amounts 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I noted the following matter involving the internal control structure and its operation that I consider to be a material weakness as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in my audit of the financial statements of Green Ward/Plaint Land Karrier Center, Inc. for the period July 1, 1993 through June 30, 1995.

**4. Accounting System**

A review of the underlying supporting documents relative to the accounting system was not totally available for review. The executive director stated that they were destroyed in the May, 1995 flood.

Recommend all supporting documents be maintained in a safe environment. They should be stored in an area not subject to water or insect damage.

This REPORT is intended for the information of management and the Legislative Council of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

*Spencer J. Sander, C.S.A.*

New Orleans, Louisiana  
June 28, 1984

# Justin J. Semlin, CPA

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

Board of Directors  
Seven Ward/Hopist Land Senior Center, Inc.

I have audited the financial statements of Seven Ward/Hopist Land Senior Center, Inc. in accordance with the standards of the American Institute of Certified Public Accountants issued on June 15, 1993 and for the period July 1, 1993 through June 30, 1994, and have issued my report thereon dated June 15, 1994. In my report, my opinion was a disclaimer due to inadequate supporting documentation of the accounting records.

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

The results of my tests disclosed the following instances of noncompliance that are required to be reported herein under Government Auditing Standards for which the ultimate resolution cannot presently be determined. Accordingly, we disclaim for any liability that may result has been recognized in Seven Ward/Hopist Land Senior Center, Inc.'s 1993/1994 financial statements.

The instances of noncompliance are follows:

### 2. Audit Requirements

The State of Louisiana requires nonprofit organizations to complete the examination of its financial statements within six months after the year end.

### 2. Supporting Documentation

Statement of conditions:  
SUPPORTING documentation was not maintained for all transactions.

**Criteria:**

The accounting instructions must be properly supported.

**Effect of Condition:**

Cashs may be diminished.

**Questioned Cashs:**

Population and sample sizes:

	<u>Number</u>	<u>Dollars</u>
Population	543	\$ 197,883
Sample	48	8,714
Not in compliance	28	8,813
<b>Questioned Cashs</b>		<u>\$ 9,527</u>

**Cause of Condition:**

Supporting documentation was lacking.

**Recommendation:**

Supporting documentation must be maintained for all transactions.

I considered these instances of noncompliance in forming my opinion on whether Seven Ward/Pineland Road Senior Center, Inc.'s 1994/1995 financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect my report dated June 29, 1994, on those financial statements.

This report is intended for the information of management, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

*Justin J. Parker, CPA*

New Orleans, Louisiana  
June 29, 1994



**SEVEN HARTSFIELD LAND SENIOR CENTER, INC.**

8900 St. Bernard Avenue, Suite 106

New Orleans, Louisiana 70119

504/889-0201

*April M. Holston, Director*

August 22, 1996

Mr. Justin Scantle, C.P.A.  
4709 St. Roch Avenue  
New Orleans, LA 70127

Dear Mr. Scantle,

In response to your audit findings, listed under reportable conditions on page 54 of your report, a list addressing each category, along with the corrections is being provided. I am asking that you please enclose my responses in your final report.

- 1. Explanation of Duties** It is the intention of the Corporation to keep our Board of Directors apprised of the Corporation's financial condition at quarterly board meetings. This board will be advised that financial information will be available on a monthly basis for any Board Member who may wish to review the financial information each month.
- 2. Payroll Tax Returns and Deposits** All payroll tax returns have been prepared and filed timely and all payroll tax deposits made timely since we became aware that we were not following taxing authority regulations and guidelines.
- 3. Insurance Coverage** We are in the process of meeting with our insurance agent to review all of the Corporation's insurance coverage. Based on that review it is our intention to any obtain any increased or additional coverage that we determine is necessary to properly insure the Corporation.
- 4. Accounting System Supporting Documentation** Proper documentation has been maintained during the fiscal year ended June 30, 1995 and will be continued to be maintained in the future. Our records are now stored in waterproof files. The corporation had no control over the natural disaster which destroyed the major portion of our records from the two-year period July 1, 1993 through June 30, 1995. We do not anticipate this recurring in the future.
- 5. SARS Requirements** An independent Certified Public Accountant has been engaged to perform the examination of our financial statements for the program year July 1, 1995 through June 30, 1996. We anticipate completion of our audit no later than November 30, 1996.

*Seniors - Our Wealth of Information and History*

Should you have any questions concerning the responses that have been given, please contact me at the above numbers.

Sincerely,

A handwritten signature in cursive script, appearing to read "Akeela M. Williams".

Akeela M. Williams