

# WIEBE & BRODHEAD, C.P.A.'s

A PARTNERSHIP OF PROFESSIONAL ACCOUNTING CORPORATION

1720 KAUFSTE SALOON ROAD, SUITE A-9

LAFAYETTE, LA 70508

JOHN L. BRODHEAD, CPA

1110 1988-01-14

MEMBER A.C.P.A.

NATHAN P. WIEBE, CPA

1110 1971-01-09

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors  
Acadian Arts Council, Inc.  
P.O. Box 51762  
Lafayette, LA 70505

We have audited the general purpose financial statements of the Acadian Arts Council, Inc. Corporation as of June 30, 1996 and 1995, and have issued our report thereon dated March 21, 1997. We have conducted our audit in accordance with generally accepted auditing standards, Governmental Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments." These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Acadian Arts Council, Inc. is the responsibility of the Acadian Arts Council, Inc. management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free from misstatement, we performed tests of the Corporation'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 indicate that, with respect to the items tested, the Acadian Arts Council, Inc. had one finding of material noncompliance regarding failure to complete the audit within the six months of the close of the fiscal year. The Council's treasurer resigned and a new treasurer was not assigned in time to complete the year end financial statements before December 31, 1996. The Council has been notified of this and will make every attempt for the next audit to have the year end financial statements completed in enough time so that the audit can proceed without delay. With respect to items not tested, nothing came to our attention that caused us to believe that the Council had not complied, in all material respects, with those provisions.

ACADIANA ARTS COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS-CONTINUED

**NOTE C - MARKETABLE SECURITIES**

Marketable securities are recorded at cost plus or minus any unrealized appreciation or depreciation which is reflected in the fund balance section of the balance sheet. The appreciation of investments at June 30, 1996 and 1995 were as follows:

	1996	1995
Market value	11,369	\$10,010
Unrealized Appreciation	8,972	0,712

**NOTE D - DONATED FACILITIES**

For a five year period beginning February 1983, which automatically renewed on December 31, 1992, the City of Lafayette has granted, at no cost to the Council, exclusive use of a facility. The fair market value of the use of the facility has not been recorded in the financial statements. Certain of the participating member organizations occupy the facility and are billed only for their pro-rata share of the estimated operating costs of the facility. Amounts collected from the member organizations were \$17,700 in 1996 and \$10,628 in 1995.

**NOTE E - ACCOUNTS PAYABLE**

The accounts payable as of June 30, 1996 are divided among the following categories:

Community Arts Awards	\$ 6,810
CDC Program	85,871
LCVC Marketing 95/96	197
Marketing Initiative	4,323
Partnership Research 24 & 25	3,245
Kennedy Center	905
Total	\$101,251

**NOTE F - DEFERRED INCOME**

The deferred income at June 30, 1996 consists of \$6,857 of School Board monies set aside for salaries and expenses, \$28,219 of accrued grants payable set aside for subgrants which are to be awarded in the 1996-97 fiscal year, \$908 for the corporate brochure program, \$910 for DLU Agency Fund, \$705 for Arts in Education, \$1145

ACADIANA ARTS COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1996 & 1995

**NOTE A - NATURE OF ACTIVITIES**

Acadiana Arts Council, Inc. ("Council") is a non-profit organization exempt from income tax under Section 501 (c)(3) of the Internal Revenue Code. Its purpose is to coordinate, promote, support, encourage and advance charitable, cultural, educational, leisure time, creative, and other non-profit activities. The Council's primary programs include arts education in local schools, support to member organizations, and other projects and events.

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

The accounting policies of the Council conform to generally accepted accounting principles as applicable to non-profit organizations. Funds designated for a specific purpose or otherwise restricted as to use are separately classified for accounting and reporting purposes.

Non-designated funds are those funds presently available for use by the Council at the discretion of the Board of Directors. Funds designated by the donor, grantor, or other outside party for particular operating purposes are deemed to be earned and reported as revenues when the Council has incurred expenses in compliance with the specific restrictions.

As of June 30, 1995, the Council adopted the provisions of Statement of Financial Accounting Standards No. 93 "Statement of Cash Flows."

**Property & Equipment** - Property and equipment are stated at cost, if purchased, and estimated value at the date of receipt, if donated. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the remaining term of the lease. The principal estimated lives used by the Council are as follows:

Classification	Years
Furniture, Fixtures & Equipment	5 - 8
Leasehold Improvements	5

**Donated Services** - A substantial number of unpaid volunteers have made significant contributions of their time to the programs and operations of the Council. The value of this contributed time is not reflected in these statements since it is not amenable to objective measurement or valuation.

ACADIANA ARTS COUNCIL, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 1996-1995

	<u>1996</u>	<u>1995</u>
<b>CASH FLOWS FROM OPERATIONS</b>		
<b>SUPPORT &amp; REVENUE OVER</b>		
<b>(LOSING) EXPENSES</b>	\$ 19,111	\$ 1,803
Adjustments to reconcile net income		
to net cash provided by operating		
activities		
<b>Add:</b>		
Amortization Expense	\$ 139	\$ 128
Increase in Deferred Income	-	29,883
Increase in Accounts Payable	-	103,135
Decrease in Deferred Expenses	70	
Increase in Accrued Grants Payable	26	3,462
<b>Total Additions</b>	<u>\$ 30,865</u>	<u>\$ 136,588</u>
<b>Less:</b>		
Decrease in Deferred Income	\$ 1,504	\$ -
Increase in Accounts Receivable	29,000	3,810
Increase in Deferred Expenses	-	850
Decrease in Accounts Payable	31,021	
Decrease in Payroll Taxes Payable		2,079
Rounding	2	
<b>Total Deductions</b>	<u>\$ 61,527</u>	<u>\$ 6,749</u>
<b>NET CASH PROVIDED BY OPERATIONS</b>	<u>\$ (88,450)</u>	<u>\$ 167,841</u>
<b>CASH FROM FINANCING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>INCREASE IN CASH</b>	<u>\$ (88,450)</u>	<u>\$ 167,841</u>
<b>CASH BEGINNING OF THE YEAR</b>	<u>171,602</u>	<u>66,721</u>
<b>CASH END OF THE YEAR</b>	<u>\$ 83,152</u>	<u>\$ 234,562</u>

SEE NOTES TO FINANCIAL STATEMENTS

**ACADIANA ARTS COUNCIL, INC.**  
**STATEMENT OF SUPPORT, REVENUE AND EXPENSES**  
**FOR THE YEARS ENDED JUNE 30, 1995 AND 1994**

SUPPORT	1995	1994
Foundation & Grants	\$ 317,334	\$ 455,004
Contributions	8,840	6,099
Contributions-Designated	-	300
<b>Total Support</b>	<b>\$ 326,174</b>	<b>\$ 461,403</b>
REVENUES		
Facility Rentals	\$ 14,700	\$ 19,628
Programs	60,294	44,852
Other	8,007	6,845
<b>Total Revenues</b>	<b>\$ 83,001</b>	<b>\$ 69,325</b>
<b>TOTAL SUPPORT &amp; REVENUES</b>	<b>\$ 409,175</b>	<b>\$ 530,728</b>
EXPENSES		
Program Services		
Arts Education	\$ 40,518	\$ 47,196
Support to Member Organizations & Subgrants	308,610	294,997
Projects & Events	49,266	14,788
<b>Total Program Services</b>	<b>\$ 398,394</b>	<b>\$ 356,981</b>
Supporting Services		
Salaries & Benefits	\$ 57,577	\$ 60,748
General & Administrative	24,836	24,944
Facility Expenses	27,689	27,349
<b>Total Supporting Services</b>	<b>\$ 110,102</b>	<b>\$ 113,041</b>
<b>TOTAL EXPENSES</b>	<b>\$ 508,496</b>	<b>\$ 470,022</b>
<b>SUPPORT &amp; REVENUES OVER (UNDER) EXPENSES</b>	<b>\$ 100,679</b>	<b>\$ 60,706</b>

SEE NOTES TO FINANCIAL STATEMENTS

LOUISIANA ARTS COUNCIL, INC.  
NOTES TO FINANCIAL STATEMENTS (CONT'D)

for Arts House Project, \$4651 for Community Arts Awards, and \$21,938 for CDC administration expenses.

**NOTE G - COMPENSATION TO BOARD MEMBERS**

All members of the Council's board of directors volunteer their services to the Council and receive no form of compensation or per diem allowances of any kind.

# WEBER & BROTHHEAD, C.P.A.'S

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LAFAYETTE, LA 70508

BOB C. BROTHHEAD, CPA  
SARAHANN MOORE, CPA

MEMBER AICPA  
MEMBER AICPA

MEMBER AICPA  
AICPA

March 21, 1993

## ADDITIONAL INFORMATION

Our report on our audit of the basic financial statements of the *Academy Arts Council, Inc.* for June 30, 1992 & 1993 appears on page 1. We conducted our audit in accordance with generally accepted auditing standards for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of revenues and expenditures is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subject to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Robert A. Brothhead, CPA

ACADEMIA ARIZ CONGRESS, INC.  
CDC GRANT  
SCHEDULE OF REVENUES EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 1998

<b>REVENUES</b>	
CDC Program	\$ 249,281
CDC Administration	<u>52,021</u>
<b>TOTAL REVENUES</b>	<b>\$ 301,302</b>
<b>EXPENDITURES</b>	
<i>Administrative Expenses</i>	
Salaries	\$ 28,570
Regional Travel	900
Meals	119
Supplies	3,860
Telephone	411
Postage	1,012
Miscellaneous Expenses	77
Payroll Taxes	1,298
Indirect Expenses	<u>1,286</u>
Total Administrative Expenses	<b>\$ 38,793</b>
<i>Program Awards</i>	
Lafayette Parish	\$ 68,500
Acadia Parish	23,100
Vermilion Parish	22,500
St. Landry Parish	36,150
Orangeville Parish	28,731
St. Mary Parish	26,140
St. Martin Parish	19,700
Beauregard Parish	<u>50,780</u>
Total Program Awards	<b>\$ 341,581</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 379,374</b>
<b>EXCESS REVENUES OVER EXPENDITURES</b>	<b>\$ 21,928</b>

SEE NOTES TO FINANCIAL STATEMENTS



ACADEMIA ARTS COUNCIL, INC.  
BALANCE SHEET  
JUNE 30, 1990 1989

ASSETS

	1990	1989
<b>CURRENT ASSETS</b>		
Cash-Restricted	\$ 63,115	\$ 291,845
Cash-Unrestricted	118,896	69,717
Accounts Receivable	77,476	18,623
Prepaid Insurance	111	1,506
Total Current Assets	<u>\$ 269,598</u>	<u>\$ 381,691</u>
<b>PROPERTY &amp; EQUIPMENT</b>		
Furniture & Fixtures	26,161	26,161
Landhold Improvements	31,830	51,820
Less: Accum. Dep. & Amort.	(77,317)	(77,620)
Total Property & Equipment	<u>\$ 20,674</u>	<u>\$ 0</u>
<b>OTHER ASSETS</b>		
Marketable Securities-Bonds	\$ 11,509	\$ 18,011
Total Other Assets	<u>\$ 11,509</u>	<u>\$ 18,011</u>
<b>TOTAL ASSETS</b>	<u>\$ 291,781</u>	<u>\$ 399,702</u>
	<b>LIABILITIES &amp; FUND BALANCES</b>	
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 181,201	\$ 155,770
Accrued Grants Payable	20,229	20,800
Deferred Income	40,448	48,354
Total Current Liabilities	<u>\$ 241,878</u>	<u>\$ 324,924</u>
<b>FUND BALANCE</b>		
Fund Balance-Unrestricted	\$ 181,930	72,816
Unrestricted Appropriation on		
Marketable Securities	8,078	6,712
Total Fund Balance	<u>\$ 190,008</u>	<u>\$ 79,528</u>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<u>\$ 431,886</u>	<u>\$ 404,452</u>

SEE NOTES TO FINANCIAL STATEMENTS

Page 2

This report is intended for the information of the audit committee, management, and the State of Louisiana Dept. Of Culture, Recreation and Tourism. However, this report is a matter of public record and its distribution is not limited.

  
Walter A. Bradford, CPA's

March 21, 1997

# WEBER & BRODHEAD, C.P.A.'S

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TEN KALDITZ SHELDRON ROAD, SUITE A-4  
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MEMPHIS

ERIC S. BRODHEAD, CPA  
MATTHEW F. WEBER, CPA

(504) 934-4119  
(504) 934-4199

MEMBER AICPA  
AICPA

March 21, 1997

Board of Directors  
Academy Arts Council, Inc.  
Lafayette, LA

## Gentlemen:

We have audited the accompanying balance sheet of Academy Arts Council, Inc. as of June 30, 1996 and 1995 and the related statements of support, revenue and expenses and changes in fund balances for the years then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 Academy Arts Council, Inc. as of June 30, 1996 and 1995, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

  
Weber & Brodhead, C.P.A.'S

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ACADIANA ARTS COUNCIL, INC.

ALERT REPORT

JUNE 30, 1986 & 1985

Under provisions of state law, this report is a public document. A copy of the report has been transmitted to the auditor, or authorized officials, and other appropriate public officials. The report is available for public inspection at the Boston House office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Approved: June 28, 1986

# WEBER & BRODHEAD, C.P.A.'S

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MEMBERS AICPA  
& ICPA

March 21, 1997

Board of Directors  
Acadiana Arts Council, Inc.  
P.O. Box 51362  
Lafayette, LA 70505

## Dear Sirs:

We have examined the financial statements of Acadiana Arts Council, Inc. for the year ended June 30, 1996 & 1997, and have issued our report thereon dated March 21, 1997. As part of our examination, we made a study and evaluation of the Council's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the Council's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of Acadiana Arts Council, Inc. is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, attention and judgment by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system 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 system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of Acadiana Arts Council, Inc. taken as a whole. However, our study and evaluation disclosed no conditions that we believe to be a material weakness.

  
Weber & Brodhead, CPAs