

Bergeron & Lanoux

— CERTIFIED PUBLIC ACCOUNTANTS —
A PROFESSIONAL CORPORATION

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

To the Board of Commissioners
Bayou Cane Volunteer Fire Department, Inc.
Firefighters' Account
Broussard, Louisiana

We have audited the financial statements of Bayou Cane Volunteer Fire Department, Inc. Firefighters' Account (the Account) (a nonprofit organization), as of and for the year ended December 31, 1995, and have issued our report hereon dated May 13, 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 and regulations applicable to the Account is the responsibility of the Account's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Account's compliance with certain provisions of laws and regulations. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Board of Commissioners, the State of Louisiana and the Legislative Auditor for the State of Louisiana. This restriction is not intended to limit the distribution of this report which is a matter of public record.



May 13, 1997

Financial Report

**BAYOU CANE VOLUNTEER FIRE DEPARTMENT, INC.
FIREFIGHTERS' ACCOUNT**

Houma, Louisiana

December 31, 1995

Financial Report

BAYOU CANE VOLUNTEER FIRE DEPARTMENT, INC.
FIREFIGHTERS' ACCOUNT

Houma, Louisiana

December 31, 1995

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Bergeron & Lanoux

— CERTIFIED PUBLIC ACCOUNTANTS —
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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Bayou Care Volunteer Fire Department, Inc.
Firefighters' Account
Houma, Louisiana

We have audited the accompanying financial statements of the Bayou Care Volunteer Fire Department, Inc. Firefighters' Account (the Account) (a Non-Profit Organization), as of and for the year ended December 31, 1996, as listed in the foregoing table of contents. These financial statements are the responsibility of the Account'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 Governmental 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.

The financial statements present only the Firefighters' Account Fund referred to above and do not include the assets, liabilities, and fund balances and revenues and expenses that are recorded in other funds of the Bayou Care Volunteer Fire Department, Inc. Accordingly, the accompanying financial statements are not intended to present the financial position of Bayou Care Volunteer Fire Department, Inc. as of December 31, 1996, and the results of its operations and changes in fund balance for the year then ended in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bayou Care Volunteer Fire Department, Inc. Firefighters' Account as of December 31, 1996 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated May 13, 1997 on our consideration of the Bayou Care Volunteer Fire Department, Inc. Firefighters' Account's internal control structure and a report dated May 13, 1997, on its compliance with laws and regulations.

May 13, 1997

BAYOU CAME VOLUNTEER FIRE DEPARTMENT, INC.
FIREFIGHTERS' ACCOUNT

Balance Sheet

December 31, 1995

ASSETS

CURRENT

Cash	\$	36,827
Due from Terrebonne Parish Consolidated Government		<u>14,259</u>
Total assets	\$	<u>51,086</u>

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$	437
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FUND BALANCE

		<u>50,649</u>
Total liabilities and fund balance	\$	<u>51,086</u>

**BAYOU CAVE VOLUNTEER FIRE DEPARTMENT, INC.
FIREFIGHTERS' ACCOUNT**

Notes to Financial Statements

1) Summary of Significant Accounting Policies

Bayou Cave Volunteer Fire Department, Inc. is organized as a non-profit, quasi-governmental corporation to provide fire protection to the Parish of Terrebonne. The Firefighters' Account (the Account) is a restricted fund of the corporation to account for revenues from governmental agencies.

The financial statements of the Account are prepared on the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are recognized when the related liability is incurred. Fixed assets and long-term debt are accounted for in other funds, and accordingly, capital additions and debt retirement are shown as changes to fund balance. Amounts transferred from other funds of the corporation are also shown as changes to fund balance.

2) Ad Valorem Tax And Revenue Sharing

The Fire Department is the recipient of a 5 mill property tax on the tax rolls in Fire Protection Districts 1, 2, and 3 of Terrebonne Parish for a period of ten years, beginning with the year 1997, for the purpose of providing fire protection. This tax is distributed by the Terrebonne Parish Consolidated Government to the volunteer fire departments in Districts 1, 2, and 3 based on a formula derived by Act 454 of the 1990 Louisiana State Legislature. In addition to Ad Valorem taxes, the Fire Department also received Louisiana State Revenue sharing monies, as mandated by Exemption Act 545 of the 1990 Louisiana State Legislature.

3) Litigation

The Fire Department is involved in litigation concerning the dismissal of a former employee. Outside counsel has advised the Fire Department, that at this stage in the proceedings, he cannot offer an opinion as to the probable outcome. Management does not expect this litigation to have a significant adverse impact on the Fire Department's financial position or operating results, and accordingly, no provision for any loss has been recorded.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

In planning and performing our audit of the financial statements of the Account for the year ended December 31, 1996, 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 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. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Commissioners, the State of Louisiana and the Legislative Auditor for the State of Louisiana. This restriction is not intended to limit the distribution of this report which is a matter of public record.

May 13, 1997



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Financial Report

**BAYOU CANE VOLUNTEER FIRE DEPARTMENT, INC.
FIREFIGHTERS' ACCOUNT**

Houma, Louisiana

December 31, 1996

Under provisions of state law, this report is a public document. A copy of the report has been furnished to the applicant, or authorized, 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: 12/31/96

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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**

To the Board of Commissioners
Bayou Cane Volunteer Fire Department, Inc.
Firefighters' Account
Houma, Louisiana

We have audited the financial statements of Bayou Cane Volunteer Fire Department, Inc. Firefighters' Account (the Account) (a non-profit organization), as of and for the year ended December 31, 1995, and have issued our report thereon dated May 13, 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.

The management of the Account 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 and 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 of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in condition or that the effectiveness of the design and operation of policies and procedures may deteriorate.