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**THINK OF FRANKLIN, INCORPORATED
MINNBORO, LOUISIANA**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
WITH SUPPLEMENTAL INFORMATION
As Of And For The Year Ended June 30, 1958**

Under provisions of state law, this report is a public document. A copy of the report has been submitted by the auditor, or reviewed, verified and filed 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.

Release Date APR 3 1 1959

TRINK OF FRANKLIN, INCORPORATED
 Milwaukee, Louisiana
Financial Statements
 and Independent Auditor's Report
 As of and for the Year Ended June 30, 1998

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- Accounting Services
- Tax Services

LOUIS R. BRADLEY

CERTIFIED PUBLIC ACCOUNTANT
(A Professional Corporation)

- Audit Services
- Computer Consultant

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American Institute of Certified Public Accountants • Society of Louisiana Certified Public Accountants
Society of Arkansas Certified Public Accountants • Missouri Chamber of Commerce

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION SCHEDULES

To the Board of Directors of
Think of Franklin, Incorporated
Winnona, Louisiana

I have audited the accompanying statement of financial position of Think of Franklin, Incorporated (a nonprofit organization) as of June 30, 1998, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to the financial audits contained in *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. 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Think of Franklin, Incorporated as of June 30, 1998, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

INDEPENDENT AUDITOR'S REPORT

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A handwritten signature in cursive script that reads "Louis R. Bradley".

Louis R. Bradley
Certified Public Accountant

Monroe, Louisiana
January 15, 1969

FINANCIAL STATEMENTS

TRIMC OF FRANKLIN, INCORPORATED
 Statement of Financial Position
 June 30, 1989

	<u>TOTAL</u>
Assets	
Cash and cash equivalents	\$ -
Accounts Receivable	8,821
Property, plant, and equipment	<u>-</u>
	-
Total Assets	<u>8,821</u>
	-
Liabilities and Net Assets	
	-
Liabilities:	
Bank Overdraft	-
Accrued Liabilities	<u>8,821</u>
	-
Total liabilities	<u>8,821</u>
	-
Net Assets:	
Unrestricted:	
Operating	-
Investment in fixed assets	-
Total unrestricted	<u>-</u>
	-
Temporarily restricted:	
	<u>-</u>
	-
Total net assets	<u>2</u>
	-
Total liabilities and net assets	<u>8,821</u>

See accompanying notes to financial statements.

TRUST OF FRANKLIN, INCORPORATED
 Statement of Activities
 For the Year Ended June 30, 1999

	<u>1999</u>
UNRESTRICTED NET ASSETS	
Support:	
Grants	\$70,000
Other support	—
TOTAL UNRESTRICTED SUPPORT	<u>70,000</u>
Net assets released from restrictions	
Restrictions satisfied by payments	—
TOTAL UNRESTRICTED SUPPORT AND RECLASSIFICATION	<u>70,000</u>
EXPENSES	
General and administrative expenses	—
Program expenses	10,000
Total expenses	<u>10,000</u>
Change in unrestricted net assets	<u>—</u>
TEMPORARILY RESTRICTED NET ASSETS	
State Grant	—
Other revenue	—
Net assets released from restrictions	
Restrictions satisfied by payments	—
Change in temporarily restricted net assets	<u>—</u>
Net assets as of beginning of year	0
Other changes in net assets:	
Investment's fund assets	—
Total other changes in net assets	<u>—</u>
Net assets as of end of year	<u>0</u> <u>0</u>

TRINE OF BRANFELIN, INCORPORATED
 Statement of Cash Flows
 For the Year Ended
 June 30, 1998

Operating activities	<u>1998</u>
Change in net assets	\$ -
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Decrease (increase) in accounts receivable	-
Decrease (increase) in grants receivable	8,187
Increase (decrease) in accounts payable/accrued liabilities	<u>(8,738)</u>
Total adjustments	(511)
Net cash provided by operating activities	<u>(511)</u>
Cash and cash equivalents as of beginning of year	252
Cash and cash equivalents as of the end of year	<u>\$ (260)</u>

See accompanying notes to financial statements.

THINK of Franklin, Incorporated

Winnsboro, Louisiana

**Notes to the Financial Statement
As of and for the Year Ended June 30, 1998**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Operations

The THINK of Franklin, Incorporated is a private non-profit organization domiciled in the State of Louisiana at Winnsboro, Louisiana. The Organization is recognized as a tax exempt (non-profit) organization under section 501 (c) (3) of the Internal Revenue Service Code. The Organization is supported primarily through state and private grants, contributions and donations from the public, and fund-raisers. The organization is a community based drop-in and referral center which offers remedial education, tutoring and drug prevention counseling. The objective of the Center is (1) to reduce the annual incidence of drug abuse among 10 thru 18 years of age in Franklin Parish, (2) to enhance the self-image of each student by reproducing experience directly related to academic achievement, (3) to identify drug users and potential users for referral to appropriate agencies, and (4) to provide limited transportation to the Center. The Organization is governed by a Board of Directors consisting of six (6) members. The Board Members receive no compensation.

B. Basis of Presentation

The Organization followed standards of accounting and financial reporting for voluntary health and welfare organizations as described in the American Institute of Certified Public Accountants' "Industry Guide for Audit of Voluntary Health and Welfare Organizations." For the period ending June 30, 1998, the Organization had adopted the provisions of Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-for-Profit Organizations*. Statement No. 117 requires the Organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services meeting certain criteria, at fair value. Statement No. 117 establishes standards for general purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities, and a statement of cash flows.

C. Public Support and Revenue

In order to comply with restrictions which donors place on grants and other gifts as well as designations made by its governing board, the principles of reporting net assets are used. Revenue and public support consist mainly of state and private grants, fundraising, and contributions. Grants and other contributions of cash and other assets are reported as permanently restricted or temporarily restricted if they are received with donor restrictions or restrictions designated by the governing board. Contributions are considered to be unrestricted unless restricted by the donor. All assets over which the Board of Directors has discretionary control have been included in the General Fund.

D. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. The Organization had no estimates for the period ending June 30, 1998.

E. Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of twelve months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents. Under state law, the agency may deposit funds in demand accounts, interest bearing accounts, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The Organization had no cash equivalents during the audit period. On June 30, 1998, THINK of Franklin, Incorporated had cash totaling \$(1,195.89) as follows:

Unrestricted	\$(1,195.89)
Temporarily Restricted	-0-
Total Cash	<u>\$(1,195.89)</u>

2. PENSION PLAN

The Organization does not have a retirement program for its employees and the employees are not members of the State of Louisiana Retirement System. All employees of the Organization are members of the Social Security System. In addition to the employees' contribution of 7.65 percent, the agency contributes an equal amount to the Social Security System. Pension cost for the year was \$1,029.71. The Organization does not guarantee the benefits granted by the Social Security System.

3. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

4. GRANT RECEIVABLE

At June 30, 1998, the Organization had grant receivables as follows:

Drug and Alcohol Abuse Program	\$ 6,219.00
Governor's Special Grant	2,402.00
Total	<u>\$ 8,621.00</u>

5. ACCRUED LIABILITIES

At June 30, 1998, the Organization had accrued liabilities totaling \$ 8,619.00.

6. GENERAL FIXED ASSETS

Fixed Assets used in the Organization are accounted for the General Fixed Asset Account Group and are stated at cost. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer. A summary of changes in general fixed assets for the year ended June 30, 1998, is as follows:

THINK of Frank's, Incorporated
Winnboro, Louisiana
Notes to the Financial Statements
Page 4

Beginning balance 7/01/08	\$ 21,538
Additions	7,590
Deletions	-0-
Ending balance at 6/30/09	<u>\$ 29,128</u>

7. **COMPENSATED ABSENCES**

The agency does not have a formal leave policy for sick and annual leave.

- Accounting Services
- Tax Services

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To Think of Franklin, Incorporated
Winnberg, Louisiana

I have audited the statements of financial position of Think of Franklin, Incorporated and the related statements of activities, cash flows, and functional expenses as of and for the year ended June 30, 1998, and have issued my report thereon dated December 13, 1998. I conducted My audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Think of Franklin, Incorporated's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*, and is listed in the schedule of finding and questioned costs as 98-1.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Think of Franklin, Incorporated's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I noted no matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Think of Franklin, Incorporated's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS

Page 2

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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 over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

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



Louis R. Bradley
Certified Public Accountant

January 15, 1999
Monroe, Louisiana

TRINK OF FRANKLIN, INCORPORATED
Schedule of Financial Position
June 30, 1988

	<u>ALCOHOL & DRUG ABUSE</u>	<u>GOVERNOR'S DRUG FREE</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
Assets			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts Receivable	8,219	2,402	8,621
Property, plant, and equipment	-	-	-
Total Assets	<u>8,219</u>	<u>2,402</u>	<u>8,621</u>
Liabilities and Net Assets			
Liabilities:	-	-	-
Bank Overdraft	-	-	-
Accrued Liabilities	8,219	2,402	8,621
Total Liabilities	<u>8,219</u>	<u>2,402</u>	<u>8,621</u>
Net Assets:	-	-	-
Unrestricted:	-	-	-
Opening	-	-	-
Investment in fixed assets	-	-	-
Total unrestricted	-	-	-
Temporarily restricted:	-	-	-
Total net assets	<u>-</u>	<u>2</u>	<u>2</u>
Total liabilities and net assets	<u>8,219</u>	<u>2,402</u>	<u>8,621</u>

See accompanying notes to financial statements.

THINK OF FRANKLIN, INCORPORATED
ALCOHOL AND DRUG ABUSE PROGRAM
 Schedule of Activities - Budget to Actual
 For the Year Ended June 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Revenue			
Grants	55,322	55,322	-
Other income	-	-	-
Total revenue	<u>55,322</u>	<u>55,322</u>	<u>-</u>
			-
Personnel Costs			-
Salaries and wages	28,400	30,818	(2,218)
Payroll taxes and other fringe benefits	3,312	2,803	509
Total personnel costs	<u>31,712</u>	<u>33,622</u>	<u>(1,910)</u>
			-
Other expenses			
Automotive repairs & maintenance	-	514	(514)
Capital Outlay	8,000	7,500	(500)
Insurance	-	1,528	(1,528)
License and fees	-	500	(500)
Operating Services	1,800	6,875	(1,175)
Professional Services	8,810	4,860	3,950
Supplies	2,700	-	2,700
Travel	500	603	(103)
Total other expenses	<u>23,810</u>	<u>23,300</u>	<u>1,310</u>
Total expenses	<u>55,522</u>	<u>56,922</u>	<u>-</u>
			-
Change in net assets	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to financial statements.

TREASURY OF FRANKLIN, INCORPORATED
GOVERNOR'S DRUG FREE PROGRAM
 Schedule of Activities - Budget to Actual
 For the Year Ended June 30, 1998

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Revenue			
Grants	15,000	15,000	-
Other income	-	-	-
Total revenue	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Personnel Costs			
Salaries and wages	11,404	11,404	-
Payroll taxes and other fringe benefits	1,246	1,246	-
Total personnel costs	<u>12,650</u>	<u>12,650</u>	<u>-</u>
Other expenses			
Automotive repairs & maintenance	-	-	-
Capital Outlay	-	-	-
Insurance	-	-	-
Licenses and fees	-	-	-
Operating Services	-	-	-
Professional Services	2,350	2,350	-
Supplies	-	-	-
Travel	-	-	-
Total other expenses	<u>2,350</u>	<u>2,350</u>	<u>-</u>
Total expenses	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Change in net assets	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to financial statements.

STATE OF MARYLAND
COMPTROLLER GENERAL
For the Year Ended
June 30, 2008

Operating activities	ADDITIONS, & DEDUCTIONS	DECREASES	TOTAL BALANCE CHANGE
	(\$)	(\$)	(\$)
Change in net assets	-	-	-
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Increase (decrease) in accounts receivable	6,667	-	6,667
Increase (decrease) in grants receivable	(6,799)	-	(6,799)
Increase (decrease) in accounts payable/accrued liabilities	(203)	-	(203)
Total adjustments	(235)	-	(235)
Net cash provided by operating activities	(235)	-	(235)
Cash and cash equivalents at beginning of year	(77)	-	(77)
Cash and cash equivalents at end of year	(212)	-	(212)

See accompanying notes to financial statements.

TOWN OF FRANKLIN INCORPORATED
Schedule of Functional Expenses
For the Year Ended
June 30, 2018

	<u>ALLOCATION & DRUG ABUSE</u>	<u>SPYING/STOLEN DRUGS FINE</u>	<u>TOTAL MISDEMEANOR ONLY</u>
Personnel Costs			
Salaries and wages	\$26,200	\$11,404	\$37,604
Payroll taxes and other fringe benefits	7,400	1,000	8,400
Total personnel costs	<u>33,600</u>	<u>12,404</u>	<u>46,004</u>
Other expenses			
Traffic	483	-	483
Board Participation	261	-	261
Bus Repair	544	-	544
Insurance	1,028	-	1,028
Litigation	600	-	600
Telephone	1,047	-	1,047
Utilities	8,800	-	8,800
Educational/Supply	500	-	500
Fuel	707	-	707
Auditor	8,600	-	8,600
Specialists	-	800	800
Bus Driver	800	800	1,600
Consultant	1,200	1,200	2,400
Journalist	1,700	-	1,700
Tutor	3,478	-	3,478
Vehicle	7,585	-	7,585
Transfer Out	-	-	-
Total other expenses	<u>31,716</u>	<u>2,800</u>	<u>34,516</u>
Total Functional Expenses	<u>\$65,316</u>	<u>\$15,204</u>	<u>\$80,520</u>

See accompanying notes to financial statements.

THINK OF FRANKLIN, INCORPORATED
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 1998

A. SUMMARY OF AUDITOR'S RESULTS

1. An unqualified opinion was issued on the financial statements.
2. No reportable condition in internal controls was disclosed by the audit of the financial statements.
3. The audit disclosed a noncompliance which is not material to the financial statements.
4. No reportable condition in internal controls over a major program was disclosed by the audit. There were no major programs.
5. No Circular A-133 reports were issued.
6. The audit disclosed no audit finding which are required to be disclosed under OMB Circular A-133.
7. There was no major program audited.
8. Think of Franklin, Incorporated was not classified as to audit risk in the context of OMB Circular A-133.

B. FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS.

FINDING: Number 98-01

AUDIT SERVICES

Louisiana Revised Statute 24:513 requires that quasi-public and other non-profit organizations that receive State or Federal assistance obtain audit services and submit a report within six (6) months from the end of the fiscal year. The audit engagement was completed prior to the December 31, 1998 deadline but was not submitted by the auditor until after the above mentioned date, due to a delay in the CPA firm's audit review process.

**SCHEDULE OF FINDINGS
AND QUESTIONED COSTS**
(Continued)

RECOMMENDATION:

In the future, all reports shall be submitted to the Legislative Auditor's Office as required by law.

MANAGEMENT RESPONSE:

All future engagements will be conducted to comply with the above law.

C. FINDING AND QUESTIONED COSTS OF FEDERAL AWARDS

Not Applicable.

THINK OF FRANKLIN, INCORPORATED
Winnifree, Louisiana

State of Prior Year Findings

For the Fiscal Year Ended June 30, 1998

There were no prior year audit findings for THINK OF Franklin, Incorporated.