

RECEIVED

APR 12 1997

LEGISLATIVE AUDITOR

7-2727214
FILE NO. 7
DO NOT SIGN OFF

Check accuracy
against form file
copy and PLAD
BAG in 1997

AUDITED FINANCIAL STATEMENTS

OF

FORNAR OUR CITIZENS, INC.

AS OF AND FOR

FIVE YEAR PERIOD

THRU 30, 1997

Under provisions of state law, this report is a public document. A copy of this report may be submitted to the method, or reviewed, and reviewed other appropriate public officials. This report is available for public inspection at the Data Storage Office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: SEP 10 1997

5-14-97
[Signature]

FOREVER OUR CHILDREN, INC.

Table of Contents

	Page
Independent Auditor's Report.....	1
Statement of Financial Position.....	2
Statement of Activities.....	3
Statement of Functional Expenses.....	4
Statement of Cash Flows.....	5
Notes To The Financial Statements.....	6
Independent Auditor's Report On Schedule of Federal Awards.....	7
Schedule of Federal Awards.....	8
Independent Auditor's Report On Internal Control Structure Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards.....	9-10
Independent Auditor's Report On Compliance Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards.....	10
Schedule Of Findings And Questioned Cost.....	12

**CHARMAINE PHILIPS-PLATENBURG
CERTIFIED PUBLIC ACCOUNTANT**

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying statement of financial position of Forever One Children, Inc. as of June 30, 1997, and the related statements of activity, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Program'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, *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. 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 the Program as of June 30, 1997, and the results of its operations and the changes in its net assets and its cash flows for the year then ended in conformity with the generally accepted accounting principles.

As discussed in Note A to the financial statements, Forever One Children, Inc. receives most of its funding from the State of Louisiana, the Governor's Office of Urban Affairs and Development. Should the Governor's Office of Urban Affairs and Development reduce its contributions to the program, it could affect the program's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.


Charmaine Philips-Platenburg, CPA

New Orleans, LA
July 31, 1997

FOR THE CHILDREN, INC.
CITYMER'S OFFICE OF URBAN AFFAIRS AND DEVELOPMENT GRANT
STATEMENT OF FINANCIAL POSITION
AS OF 11/30/00, 1997

ASSETS

Cash	\$	9,894
Equipment		10,005
Accumulated Depreciation		<u>(2,181)</u>
TOTAL ASSETS		<u><u>17,718</u></u>

LIABILITIES

Accounts Payable		4,175
Payroll Taxes Payable		<u>1,059</u>
Total Liabilities		<u><u>5,234</u></u>

NET ASSETS

Unrestricted		1,503
Restricted		<u>10,915</u>
TOTAL NET ASSETS	\$	<u><u>12,418</u></u>

See Auditor's Report and Accompanying Notes.

PREPARE OUR CHILDREN, INC.
GOVERNOR'S OFFICE OF URBAN AFFAIRS AND DEVELOPMENT ACCOUNT
STATEMENT OF ACTIVITY
FOR THE YEAR ENDED JUNE 30, 1991

Operating Revenues

Gross Revenue	\$10,340
Other Income	975
Interest Income	1,296
Total Operating Revenue	12,611

Operating Expenditures

Salaries	48,930
FICA Taxes	3,000
SLITA Taxes	129
Workers' Comp. Insurance	158
Taxes	288
Equipment	2,477
Depreciation Expense	2,180
Equipment Maintenance	1,170
Consumable Supplies/Food	3,371
Telephone	1,940
Rent	11,800
Insurance	2,594
Accounting Fees	4,480
Audit Fees	2,500
Postage	806
Publication	751
Contract Labor	46,080
Consultant	3,001
Janitor	4,480
Legal	180
Instructional Supplies	2,820
Security Services	217
Laundry Supplies	86
Office Supplies	1,833
Program Activity	5,475
Miscellaneous	386
Total Operating Expenditures	126,307

Net Revenue over Expenditures	344
Net Assets - Beginning of Year	12,226
Net Assets - End of Year	12,458

See Auditor's Report and Accompanying Notes.

FOREVER OF CHILDREN, INC.
 GIFFORDS' OFFICE OF URBAN AFFAIRS AND DEVELOPMENT GRANT
 STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE FISCAL YEAR ENDED JUNE 30, 1991

	Program Services	Supporting Services	Total
Personal Services & Fringe Benefits:			
Salaries	-	40,500	40,500
FICA Taxes	-	3,000	3,000
SETA Taxes	-	200	200
Workers's Comp. Insurance	-	750	750
Total Personal Services and Fringe Benefits	-	44,500	44,500
Operating Expenses:			
Travel	280	-	280
Equipment	2,417	-	2,417
Equipment Maintenance	1,150	-	1,150
Depreciation Expense	2,187	-	2,187
Consumable Supplies/Food	2,271	-	2,271
Telephone	694	1,748	2,442
Rent	8,560	2,540	11,100
Insurance	-	2,554	2,554
Accounting Fees	-	4,400	4,400
Audit Fees	-	2,500	2,500
Printing	408	416	824
Publications	-	751	751
Contract Labor	46,000	-	46,000
Counselor	3,081	-	3,081
Auditor	-	4,180	4,180
Legal	-	180	180
Instructional Supplies	2,826	-	2,826
Security Services	-	217	217
Amusical Supplies	-	86	86
Office Supplies	-	1,833	1,833
Program Activity	3,450	-	3,450
Miscellaneous	-	180	180
Total Operating Expenses	72,517	22,241	94,758
Total Expenses	72,517	66,741	139,258

See Auditor's Report and Accompanying Notes.

BERKELEY AND STELLARIS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 1997

CASH FLOWS FROM OPERATING ACTIVITIES

Revenue over Expenditures	\$24
Adjustments to Reconcile Revenue over Expenditures to Net Cash Provided by Operating Activities	
Increase in Accumulated Depreciation	2,187
Decrease in Accrued Interest Receivable	129
Decrease in Accounts Payable	11,873
Increase in Payroll Taxes Payable	<u>26</u>
Net Cash Provided by Operating Activities	<u>1,219</u>
Net Increase (Decrease) in Cash	1,219
Cash, Beginning of Year	<u>2,215</u>
Cash, End of Year	<u>\$3,434</u>

See Auditor's Report and Accompanying Notes.

FOREVER OUR CHILDREN, INC.
NOTES TO THE FINANCIAL STATEMENTS

NOTE A - Nature of Activities and Significant Accounting Policies

Nature of Activities

Forever Our Children, Inc. (the program) provides free after school tutoring. The program offers remedial reading and math, along with homework assistance, and computer reinforcement. The program was designed to provide crucial skills in reading, writing, oral communication, and mathematics. Students are also provided with individual guidance and counseling. Funding for this program is provided by the State of Louisiana Governor's Office of Urban Affairs and Development.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recognized when incurred.

Equipment

Equipment would include furniture and fixtures purchased by the Program and are recorded at cost. Assets, which cost less than \$500 individually are expensed to the year of purchase. Assets that are capitalizable are depreciated using the straight line method.

Financial Statement Presentation

The financial statements are presented in accordance with Statement on Financial Accounting standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations". This statement requires reporting the Program's 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 to a statement of cash flows.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Program considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**CHARMAINE PHILIPS-PLATENBURG
CERTIFIED PUBLIC ACCOUNTANT**

**INDEPENDENT AUDITOR'S REPORT ON
SCHEDULE OF FEDERAL AWARDS**

I have audited the financial statements of Foster Our Children, Inc. (the Program as of 1990) for the year then ended June 30, 1997, and have issued my report thereon dated July 31, 1997. These financial statements are the responsibility of the Program's management. My responsibility is to express an opinion on the basic financial statements based on my audit.

I conducted our audit in accordance with the generally accepted auditing standards, 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. 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.

My audit was conducted for the purpose of forming an opinion on the basic financial statements of the program taken as a whole. The accompanying Schedule of Federal Awards is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.


Charmaine Philips-Platenburg, CPA
July 31, 1997

FOREVER FOR CHILDREN, INC.
 SCHEDULE OF FEDERAL AWARDS
 FOR THE YEAR ENDED 3/31/00, 1999

<u>Federal/Grantor/Pass- Through/Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Federal Expenses</u>
Department of Education's Office of Urban Renewal Grants	84.000	100-00701	<u>577,540</u>
Total			<u>\$107,740</u>

See Auditor's Report and Accompanying Notes.

**CHARMAINE PHILIPS-PLATENBURG
CERTIFIED PUBLIC ACCOUNTANT**

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

I have audited the financial statements of Forever One Children, Inc. (the Program) as of and for the year ended June 30, 1997, and have issued my report thereon dated July 31, 1997.

I conducted my audit in accordance with generally accepted auditing standards, *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.

The management of the Program 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; that unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projections 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 Program for the year ended June 30, 1997, I obtained an understanding of the Program's 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 controls, if any, in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under these standards. 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 and irregularities in amounts that would be material in relation to the financial statements, including misstatements, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

However, I noted certain matters involving the internal control structure and its operation that I have reported to the management of the Program in a separate letter dated July 31, 1997.

This report is intended for the information of the board of directors, management, and the Governor's Office of Urban Affairs and Development. However, this report is a matter of public record, and its distribution is not limited.

Charles Phillip Placour
Chairman Philip Placour, CPA

New Orleans, LA
July 31, 1991

**CHARMAINE PHILIPS-PLATENBURG
CERTIFIED PUBLIC ACCOUNTANT**

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

I have audited the financial statements of Forever Our Children, Inc. (the Program) as set out for the period ended June 30, 1997, and have issued my report thereon dated July 31, 1997.

I conducted my audit in accordance with generally accepted auditing standards, 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.

Compliance with laws, regulations, contracts, and grants applicable to the Program is the responsibility of the Program's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Program's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the financial statements 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 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 directors, management, and the Governor's Office of Urban Affairs and Development. However, this report is a matter of public record, and its distribution is not limited.


Charmaine Philips-Platenburg, CPA

New Orleans, LA
July 31, 1997

*FOREVIEW OUR CHILDREN, INC.
SCHEDULE OF FINDINGS AND QUESTION COST
FOR THE YEAR ENDED JUNE 30, 1997*

STATUS OF PROBLEMS

It should be noted that there were no prior year findings.

**CHARMAINE PHILIPS-PLATENBURG
CERTIFIED PUBLIC ACCOUNTANT**

July 31, 1997

To the Board of Directors of
Forever Our Children, Inc.
3300 St. Bernard Avenue, Suite 104
New Orleans, LA 70119

In planning and performing my audit of the financial statements of Forever Our Children, Inc. (the Program) for the year ended June 30, 1997, I considered the Program's internal control structure to plan my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

However, during my audit, I noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. This letter does not affect my report dated July 31, 1997, on the financial statements of the Program.

I will review the status of these comments during my next audit engagement. My comments and recommendations, all which have been discussed with the appropriate members of management, are intended to improve the internal control structure or assist in other operating efficiencies. My comments are summarized as follows:

Organizational Structure

The size of the program's administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide separate segregation duties. This situation dictates that the Board of Directors remain involved in the financial affairs of the Program to provide oversight and independent review functions.

I wish to thank Ms. Williams for her support and assistance during the audit.

This report is intended solely for the information and use of the Board of Directors, management, and others within the Organization.

Charmaine Philips-Platenburg, CPA
Charmaine Philips-Platenburg, CPA

July 30, 1997