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C.O.R.E. CULTURAL CENTER, INC.
Baton Rouge, Louisiana

**General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
June 30, 1998**

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.

FEB 24 1999

Release Date _____

Allen & Davis, LLP
Certified Public Accountants

C.O.R.E. CULTURAL CENTER, INC.
Baton Rouge, Louisiana

General Purpose Financial Statements
With Accountant's Compilation Report
and Agreed-Upon Procedures Report
As of and for the Year Ended
June 30, 1998

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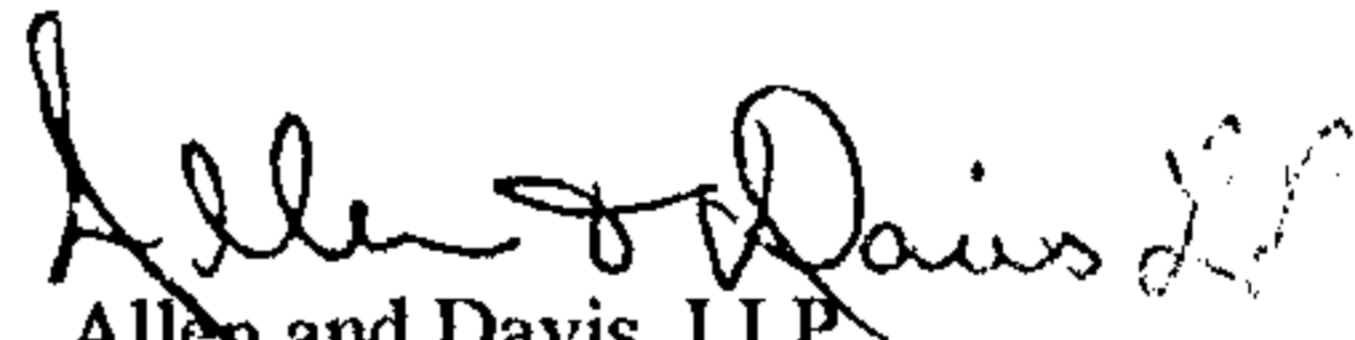
Accountant's Compilation Report

Board of Directors
C.O.R.E. Cultural Center, Inc.
Baton Rouge, Louisiana

We have compiled the accompanying general purpose financial statements, of **C.O.R.E. Cultural Center, Inc.**, as of and for the year ended June 30, 1998, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management of **C.O.R.E. Cultural Center, Inc.** We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any form of assurance on them.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated December 29, 1998, on the results of our agreed-upon procedures.


Allen and Davis, LLP
Certified Public Accountants

December 29, 1998

Statement A

**C.O.R.E. CULTURAL CENTER, INC.
Statement of Financial Position, June 30, 1998**

ASSETS	
Cash (note 2)	\$ 3,944
Fixed assets (note 3)	<u>9,216</u>
TOTAL ASSETS	<u><u>\$ 13,160</u></u>
 LIABILITIES AND NET ASSETS	
Liabilities:	
Accounts payable	\$ 300
Payroll related taxes payable	<u>763</u>
TOTAL LIABILITIES	<u>1,063</u>
Net Assets:	
Permanently restricted:	
Operations	2,881
Fixed assets	<u>9,216</u>
TOTAL NET ASSETS	<u><u>12,097</u></u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 13,160</u></u>

The accompanying notes are an integral part of this statement.

Statement B

**C.O.R.E. CULTURAL CENTER, INC.
Statement of Activities
For The Year Ended June 30, 1998**

SUPPORT AND REVENUE

Grant - Governor's Office of Urban Affairs and Development	\$ 20,000
Total support and revenue	<u>20,000</u>

EXPENSES

Salaries and payroll related taxes	10,539
Travel	540
Rent	3,875
Office supplies	450
Teaching materials	1,045
Professional services	1,553
Depreciation expense	4,702
Miscellaneous	2,356
Total expenses	<u>25,060</u>

EXCESS OF EXPENSES OVER SUPPORT AND REVENUE	(5,060)
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NET ASSETS AT BEGINNING OF YEAR	<u>17,157</u>
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NET ASSETS AT END OF YEAR	<u><u>\$ 12,097</u></u>
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The accompanying notes are an integral part of this statement.

C.O.R.E. CULTURAL CENTER, INC.
Statement of Cash Flows
For The Year Ended June 30, 1998

CASH FLOWS FROM OPERATING ACTIVITIES:	
Excess of expenses over support and revenue	\$(5,060)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Decrease in accounts payable	(1,008)
Increase in payroll related taxes payable	763
Depreciation	<u>4,702</u>
Net cash provided by operating activities	<u>(603)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Payments for purchase of equipment	<u>(1,979)</u>
NET INCREASE IN CASH	(2,582)
CASH BALANCE AT BEGINNING OF YEAR	<u>6,526</u>
CASH BALANCE AT END OF YEAR	<u><u>\$ 3,944</u></u>

The accompanying notes are an integral part of this statement.

C.O.R.E. CULTURAL CENTER, INC.
Baton Rouge, Louisiana

Notes to the Financial Statements
Year Ended June 30, 1998

1. REPORTING ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ORGANIZATION

C.O.R.E. Cultural Center was incorporated on October 19, 1994, as a non-profit corporation. The purpose of the corporation is to:

Establish and support an economic and business development learning and communication network.

Encourage more involvement in the world of business.

Develop a statewide informational network designed to disseminate information concerning issues that shall create interest in economic development.

Establish regional small business development training centers and learning laboratories; to conduct tutorial and educational training for citizens in Baton Rouge, to buy, sell, lease, or otherwise acquire lands, club houses and all necessary buildings and appurtenances to further such ends, to hold, maintain and operate same, to sell, lease or dispose thereof and generally to do all things necessary or proper to achieve such ends.

During the period C.O.R.E. Cultural Center, Inc. received the majority of its funding from a state grant. Various restrictions are placed on the use of these funds. The Governor's Office of Urban Affairs and Development was the awarding agency.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting, in conformity with generally accepted accounting principles (GAAP).

C.O.R.E CULTURAL CENTER, INC.

Notes to the Financial Statements

June 30, 1998

B. FUND ACCOUNTING

The accounts of C.O.R.E. Cultural Center, Inc. are organized in one fund. The operations of the fund are accounted for by self-balancing accounts that comprise its assets, liabilities, net assets, support and revenue, and expenses.

C. INCOME TAXES

C.O.R.E. Cultural Center, Inc. qualifies as a tax-exempt organization other than a private foundation under Section 501C(3) of the Internal Revenue Code and comparable Louisiana law. Accordingly, no provision for income taxes has been made in these financial statements.

D. CASH

Cash includes demand deposits.

E. DEPRECIATION

Office equipment is being depreciated over estimated useful lives of 5 years using the straight-line method of depreciation.

2. CASH

At June 30, 1998, the organization has cash (book and bank balance) totaling \$3,944, which is in a noninterest-bearing demand account. The deposits are stated at cost, which approximates market and are fully secured by federal deposit insurance.

3. OFFICE EQUIPMENT

Office equipment is stated at cost. A summary of office equipment and accumulated depreciation at June 30, 1998, is as follows:

Office equipment	\$ 17,207
Less: Accumulated depreciation	<u>7,991</u>
Total	<u><u>\$ 9,216</u></u>

C.O.R.E CULTURAL CENTER, INC.

Notes to the Financial Statements

June 30, 1998

4. BOARD OF DIRECTORS

The management of C.O.R.E. Cultural Center, Inc. is vested in a Board of Directors consisting of seven members who serve without compensation.

**Independent Accountant's Report on Applying
Agreed-Upon Procedures**

The following independent accountant's report on applying agreed-upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Guide* and the *Louisiana Attestation Questionnaire*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Board of Directors
C.O.R.E. Cultural Center, Inc.
Baton Rouge, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of **C.O.R.E. Cultural Center, Inc.**, the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about **C.O.R.E. Cultural Center's** compliance with certain laws and regulations during the year ended June 30, 1998, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

State Award

1. Determine the amount of State award expenditures for the fiscal year, by grant and grant year.
2. For each State award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, we determined if the six disbursements were properly coded to the correct fund and general ledger account.
5. For the items selected in procedure 2, we determined whether the six disbursements received approval from proper authorities.

C.O.R.E. CULTURAL CENTER, INC.

Accountant's Report on Applying Agreed-Upon Procedures

June 30, 1998

6. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

Meetings

7. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

C.O.R.E. Cultural Center, Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of C.O.R.E. Cultural Center's office building. Although management has asserted that such documents were properly posted, we could find no evidence supporting such assertion other than an unmarked copy of the notices and agendas.

Comprehensive Budget

8. For all grants exceeding five thousand dollars, we determined that each applicable state agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

C.O.R.E. Cultural Center, Inc. provided a comprehensive budget to the applicable state agency for the program mentioned previously. The budget specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

Prior Comments and Recommendations

9. We reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

In the audit for the year ended June 30, 1997, we reported that employment taxes were not withheld from employee salaries. This comment has been resolved by management.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.


C.O.R.E. CULTURAL CENTER, INC.

Accountant's Report on Applying Agreed-Upon Procedures

June 30, 1998

This report is intended solely for the use of management of **C.O.R.E. Cultural Center, Inc.**, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

December 29, 1998


Allen and Davis, LLP
Certified Public Accountants

LOUISIANA ATTESTATION QUESTIONNAIRE

ALLEN AND DAVIS, LLP
Certified Public Accountants
P. O. Box 66494
Baton Rouge, LA 70896

In connection with your compilation of our financial statements as of June 30, 1998, and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 29, 1998.

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes [] No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [] No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirement, activities allowed and unallowed, and reporting and budget requirements.

Yes [] No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes [] No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Yes [] No []

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

_____ Secretary _____ Date

_____ Treasurer _____ Date

William H. Stumpf President 12/29/98 Date