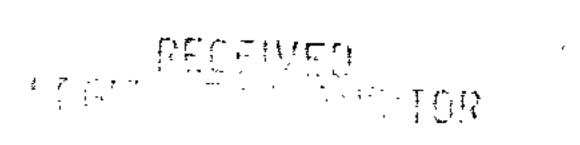
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Louisiana Ballooning Foundation Baton Rouge, Louisiana December 31, 2003

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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\_

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# **Table of Contents**

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Accountant's Compilation Report

Page 3

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Financial Statements		
Statement of Financial Position	Page	4
Statement of Activities and Changes in Net Assets	Page	5
Statement of Cash Flows	Page	6
Notes to Financial Statements	Page	7
Agreed-Upon Procedures	Page	9
Louisiana Attestation Questionnaire	Page	12
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February 14, 2004

#### **Accountant's Compilation Report**

The Board of Directors Louisiana Ballooning Foundation Baton Rouge, Louisiana

Ladies and Gentlemen:

We have compiled the accompanying statement of financial position of the

Louisiana Ballooning Foundation (A Non-Profit Organization) Baton Rouge, Louisiana

as of December 31, 2003, and the related statements of activities and changes in net assets and cash flows, from August 21, 2002 (Date of Inception) to December 31, 2003 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Yours truly, Hawthorn, Waymouth & Cassell, L.L.

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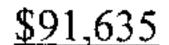
Louisiana Ballooning Foundation Statement of Financial Position December 31, 2003 (See Accountant's Compilation Report)

Assets

Current Assets Cash

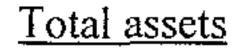
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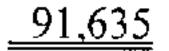
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Net Assets

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### Net Assets

Unrestricted

Total net assets

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91,635

<u>91,635</u>

The accompanying notes are an integral part of these statements.

Louisiana Ballooning Foundation Statement of Activities and Changes in Net Assets From August 21, 2002 (Date of Inception) to December 31, 2003 (See Accountant's Compilation Report)

### **Unrestricted**

#### Revenue

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Contributions	\$244,084
Sponsorships	138,750
Grants	. 82,775
Booth	56,333
Other	7,310
	529,252
Expenses	
Program Expenses	424,220
General and Administrative	<u>13,397</u>
	<u>437,617</u>
Change in Net Assets	91,635
Net Assets, beginning of period	
Net Assets, December 31, 2003	<u>91,635</u>

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The accompanying notes are an integral part of these statements.

# Louisiana Ballooning Foundation Statement of Cash Flows From August 21, 2002 (Date of Inception) to December 31, 2003 (See Accountant's Compilation Report)

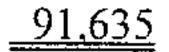
# **Cash Flows from Operating Activities**

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Change in Net Assets	<u>\$91,635</u>
Net Cash Provided by Operating Activities	91,635
Net Increase in Cash and Cash Equivalents	91,635
Cash and Cash Equivalents, beginning of period	

Cash and Cash Equivalents, December 31, 2003



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# The accompanying notes are an integral part of these statements.

Louisiana Ballooning Foundation Notes to Financial Statements December 31, 2003

### Note 1-Summary of Significant Accounting Policies

## A. <u>Nature of Operations</u>

The Foundation was organized to host a yearly charitable event at the Pennington Biomedical Research Center in Baton Rouge, Louisiana to raise community awareness of the educational and medical endeavors of Pennington Biomedical Research Center and to promote community participation in various research projects.

## B. Basis of Accounting

The accompanying financial statements of the Foundation have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

# C. <u>Use of Estimates</u>

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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# D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. There were no cash equivalents as of December 31, 2003.

# E. Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and not classified as a private foundation.

# F. Functional Expenses

Expenses are charged to program or administrative expenses based on a combination of specific identification or allocation by management.

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### G. Advertising

Advertising costs are charged to expense as incurred.

Louisiana Ballooning Foundation Notes to Financial Statements December 31, 2003

#### **Note 2-Nonmonetary Transactions**

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A number of unpaid volunteers have made significant contributions of their time to develop the Foundation's programs. The value of these items is not reflected on the accompanying financial statements.

### Note 3-Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use has been limited by donors to a specified time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. The Louisiana Ballooning Foundation does not have any temporarily or permanently restricted net assets.

# Note 4-Concentrations of Credit Risk

At various times during the year, cash and cash equivalents on deposit with one banking institution exceeded the \$100,000 insured by the Federal Deposit Insurance Corporation.

. 8 February 14, 2004

Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Directors Louisiana Ballooning Foundation 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 the Louisiana Ballooning Foundation, the Legislative Auditor, State of Louisiana and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about the Louisiana Ballooning Foundation's compliance with certain laws and regulations during the period from August 21, 2002 (Date of Inception) to December 31, 2003, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with attestation 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 representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

## Federal, State and Local Awards

Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year. Award expenditures for the Foundation's programs for the period are as follows:

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<u>Federal Grant Name</u>	Grant Year	<u>CFDA #</u>	<u>Amount</u>
Louisiana Department of Economic		OCR 252-400220;	
	2002	CEMS CO1095	¢00.775



2003 CFMS 601985 \$29,775

Department of Culture, Recreation and Tourism, Office of Secretary, Louisiana Purchase Bicentennial

### DCRT-05-03-76; 2003 CFMS 597341 25,000

We randomly selected six (6) disbursements from the two awards administered during the period under examination.

We traced the six (6) disbursements to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six (6) selected disbursements and found that payment was for the proper amount and made to the correct payee.

We determined if the six (6) disbursements were properly coded to the correct general ledger account.

All of the payments were properly coded to the correct general ledger account.

We determined whether the six (6) disbursements received approval from proper authorities.

Inspection of documentation supporting each of the six (6) selected disbursements indicated the appropriate approvals.

For state and local awards, we determined whether the disbursements complied with the grant agreements, relating to:

Activities allowed or unallowed:

We reviewed the previously listed disbursements for types of services allowed or not allowed.

Eligibility:

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We reviewed the previously listed disbursements for eligibility requirements. Reporting:

We reviewed the previously listed disbursements for reporting requirements.

### Meetings

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).

Louisiana Ballooning Foundation is only required to post a notice of each meeting and the accompanying agenda on the door of the Louisiana Ballooning Foundation's office building. Management has asserted that such documents were not properly posted.

### **Comprehensive Budget**

For all grants exceeding \$5,000, we determined that each applicable state or local grantor 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.

Louisiana Ballooning Foundation provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets 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.

We were not engaged to, and did not, conduct 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.

This report is intended solely for the use of management of the Louisiana Ballooning Foundation, the Louisiana Legislative Auditor (State of Louisiana) and the applicable state grantor agency/agencies 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. Under Louisiana Revised Statue 24:513, this report is distributed by the Legislative Auditor as a public document.

Yours truly, Hawthasn, Waymonth & Cassall, L. R.

LOUISIANA ATTESTATION QUESTIONNAIRE (For Attestation Engagements of Quasi-public Entities)			
01/08/04 (Date Transmitted)	•		
Hawthorn, Waymouth & Carroll, LLP			
Certified Public Accountants	_		
8555 United Plaza Blvd., Suite 200	-		
Baton Rouge, LA 70809	_ (Auditors)		

In connection with your compilation of our financial statements as of <u>December 31, 2003</u> 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 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 (date of completion/representation).

#### 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.

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation. Yes V 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 requirements, activities allowed and unallowed, and reporting and budget requirements. Yes IV No []

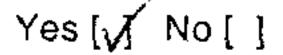
#### **Open Meetings**

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[M

#### **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 [ ]



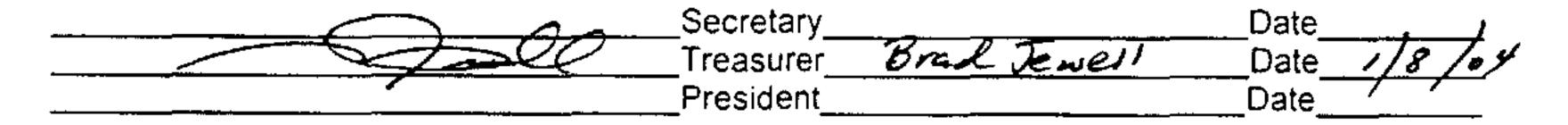
#### **Prior Year Comments**

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

Yes[] No[] N/A

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.



Louisiana Ballooning Foundation **Corrective Action Plan** Year Ended December 31, 2003

#### Finding

Louisiana Ballooning Foundation is only required to post a notice of each meeting and the accompanying agenda on the door of the Louisiana Ballooning Foundation's office building. Management has asserted that such documents were not properly posted.

Comments on Finding and Recommendation

Management concurs with the finding.

Action Plan

Management will post the required documents for future meetings.