

ASCENSION COMMUNITY THEATRE, INC.
COMPILED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2003

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.

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Latuso, Inc. (APAC)

Certified Public Accountant

3112 Valley Creek Dr., Suite H

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Ascension Community Theatre, Inc.
Gonzales, Louisiana

I have compiled the accompanying statements of financial position of the Ascension Community Theatre, Inc. (a non-profit organization) as of December 31, 2003 and the related statements of activities, and cash flows for the year then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Accountants.

A compilation is limited to presenting in the form of financial statements information that is the *representation of management*. I have not audited or reviewed the accompany financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, I have issued a report, dated July 23, 2004, on the results of our agreed upon procedures.

July 23, 2004

Latuso, Inc

ASCENSION COMMUNITY THEATRE, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2003

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 87,064
Receivable from state	16,718
Other receivables	597
Prepaid expenses	<u>5,521</u>
Total current assets	109,900
Property and equipment, net (Notes 2 and 3)	<u>170,632</u>
Total assets	<u>\$280,532</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 2,262
Note payable to bank (Note 3)	<u>73,402</u>
Total Liabilities	75,664

NET ASSETS - UNRESTRICTED

Operating	34,236
Fixed assets	<u>170,632</u>
Total unrestricted net assets	<u>204,868</u>
Total liabilities and net assets	<u>\$280,532</u>

See accountants' compilation report.

ASCENSION COMMUNITY THEATRE, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES AND SUPPORT

Contributions to building	\$ 63,259
State grant	53,875
Admissions	52,759
Concession receipts	3,668
Program fees	1,865
Rental	1,637
Interest	<u>154</u>
Total revenues and support	177,217

EXPENSES

Play expenses	28,642
Utilities	10,751
Depreciation	9,762
Maintenance and repair	3,625
Supplies	3,402
Interest	3,076
Advertising	3,020
Insurance	2,602
Telephone	2,074
Entertainment	1,600
Scholarships	1,250
Miscellaneous	1,242
Professional fees	1,125
Rent	<u>1,000</u>
Total expenses	<u>73,171</u>

INCREASE IN NET ASSETS 104,046

NET ASSETS

Beginning of year	<u>100,822</u>
End of year	<u>\$204,868</u>

See accountants' compilation report.

ASCENSION COMMUNITY THEATRE, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2003

Operating activities	
Change in net assets	\$ 104,046
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	9,762
Decrease in receivables	845
Increase in other assets	(4,711)
Increase in accounts payable	<u>1,222</u>
Net cash provided by operating activities	111,164
Investing activities	
Purchases of property and equipment	<u>(121,755)</u>
Net cash used in investing activities	(121,755)
Financing activities	
Proceeds of note payable	75,000
Repayments of note payable	<u>(1,598)</u>
Net cash provided by financing activities	<u>73,402</u>
Net increase in cash and cash equivalents	62,811
Cash and cash equivalents as of beginning of year	<u>24,253</u>
Cash and cash equivalents as of end of year	<u>\$ 87,064</u>

See accountants' compilation report.

ASCENSION COMMUNITY THEATRE, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The purpose of the Ascension Community Theatre is to provide theatrical stage productions in a mutually supportive and positive environment in which every individual has the opportunity to develop performance stagecraft and theatrical support skills

The Theatre is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

Basis of Accounting

The Theatre maintains its financial statements and related records on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable and expenses are recognized in the period incurred, if measurable.

Public Support and Revenue

The public source of revenues are from donations and fees charged to the general public for admission to theatre events.

In addition, the Organization receives an appropriation grant from the state of Louisiana. These revenues are recognized when available and measurable. Revenues that are accrued include state grants which are appropriated prior to year end and received after.

The revenues are unrestricted as to the use of the funds.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts and related disclosures of the financial statements. Actual results could differ from those estimates. Estimates are used primarily when accounting for depreciation in these financial statements.

ASCENSION COMMUNITY THEATRE, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Donated Services

The Theatre receives a significant amount of donated services from unpaid volunteers who assist in special projects. No amounts have been recognized in the statement of activities because the criteria for recognition under SFAS No. 116 have not been satisfied.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, which are considered as cash equivalents.

Property and depreciation

Property is recorded at cost. Depreciation is computed using the straight-line method over the below estimated useful lives of the assets.

Furniture and equipment	5 - 7
Building	40

NOTE 2 - PROPERTY AND EQUIPMENT

A summary of property and equipment is as follows:

Furniture and equipment	\$ 47,929
Buildings	105,19
Land	<u>36,000</u>
	189,124
Accumulated depreciation	<u>(18,492)</u>
	<u>\$170,632</u>

ASCENSION COMMUNITY THEATRE, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2003

NOTE 3 - NOTE PAYABLE TO BANK

The note payable to bank is payable upon demand. If no demand, then monthly of installments of \$519.42 are required with the unpaid balance due in March, 2008. The note, which bears interest at 5.5% is collateralized by the land and building.

If no demand is made, then the maturities for the next five years are as follows:

2004	\$ 2,252
2005	2,379
2006	2,514
2007	2,655
2008	<u>63,602</u>
	<u>\$73,402</u>

NOTE 4 - LEASE COMMITMENT

Prior to the purchase of the land and building, the Theatre leased its facilities for \$500 per month. The rent expense for the year was \$1,000.

Latuso, Inc. (APAC)

Certified Public Accountant

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
Ascension Community Theatre, Inc.
Gonzales, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Ascension Community Theatre, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Ascension Community Theatre, Inc.'s compliance with certain laws and regulations during the year ended December 31, 2003 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, I 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

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

The Ascension Community Theatre, Inc. award revenues from all State of Louisiana programs for the year were as follows:

STATE GRANT NAME	GRANT YEAR	AMOUNT
Act 13 of General Appropriations Act	2002	\$42,253
Act 14 of General Appropriations Act	2003	11,623
Total Revenues		\$53,876

To the Board of Directors
Ascension Community Theatre, Inc.

2. For each Federal, state, and local award, I randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

The Theatre did not receive any Federal or local awards, but did receive public funding from the state for two grants. As a result, I selected 12 disbursements for review.

3. For the items selected in procedure 2, I traced the disbursements to supporting documentation as to proper amount and payee.

I examined supporting documentation for each of the selected disbursements and found that payment was for the proper amount and made to the correct payee. However, supporting documentation for a disbursement of \$48.83 to a board member could not be located.

4. For the items selected in procedure 2, I determined if the six disbursements were properly coded to the correct general ledger account.

Three of the payments examined were determined to not be properly coded. The other payments were properly coded to the correct general ledger account. Only one account number was used when multiple accounts should have been coded. The miscodings were not considered to be material to the financial statements. The Theatre only has one fund.

5. For the items selected in procedure 2, I determined whether the six disbursements received approval from proper authorities.

Inspection of documentation supporting the six selected disbursements indicated approvals from a member of the Board of Directors. In addition, each of the disbursements required dual signatures by board members not approving the expenditure. The dual signatures were reviewed on each selected disbursement.

6. For the items selected in procedure 2 that related to federal awards, I determined whether the disbursements complied with the applicable specific program compliance requirements summarized in *the Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, I determined whether the disbursements complied with the grant agreement, relating to:

There were no Federal awards received during the year.

To the Board of Directors
Ascension Community Theatre, Inc.

Activities allowed or unallowed:

I reviewed the previously listed disbursements for types of services allowed or not allowed. There were no unallowed activities noted in my review.

Eligibility:

Not applicable.

Reporting:

I reviewed the reporting requirements of the state award and determined the Theatre was not in compliance. The financial statements for the year ended December 31, 2003 was not issued within six months after year end. Since the Theatre relies solely upon volunteer assistance, it has been difficult to comply with this requirement.

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

Not applicable.

8. Confirm the payments received from State of Louisiana and balance due from State as of December 31, 2003.

I have confirmed the payments received from the State during 2003 and the amount owed at December 31, 2003. All payments received and owed are properly recorded.

Meetings

9. 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).

I examined evidence that meetings were held and written minutes were prepared. However, the Theatre is not subject to the open meeting law.

To the Board of Directors
Ascension Community Theatre, Inc.

Comprehensive Budget

10. For all grants exceeding five thousand dollars, I determined that each applicable federal, state, or local grantor agency/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.

The Ascension Community Theatre, Inc provided a comprehensive budget to the applicable state grantor agency 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.

Prior Comments and Recommendations

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

My prior year report, dated July 7, 2003, contained a comment that the Theatre was not in compliance with submitting of the year end financial statement within six months.

I was 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, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Ascension Community Theatre, Inc., the 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 Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Latuso, Inc

July 23, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)
July 23, 2004

Latuso, Inc. (APAC)
Certified Public Accountant
3112 Valley Creek Drive, Suite H
Baton Rouge, LA 70808

In connection with your compilation of our financial statements as of December 31, 2003 for the Ascension Community Theatre, Inc. 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 representation.

These representations are based on the information available to us as of July 23, 2004.

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 { X } 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 { X } No { }

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

Yes { X } 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 { X } 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 { X } 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 { X } No { }

Prior Year Documents

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

Yes { } No { X }

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.

Kan C. Welch

Secretary

7/28/04

Date

Don Mel

Treasurer

7-28-04

Date

[Signature]

President

7/28/04
Date