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**ANNUAL FINANCIAL REPORT**  
**OF THE**  
**BOSSIER ARTS COUNCIL**

**For the**

**Fiscal Year Ended June 30, 2003**

**JAMES T. BATES**  
**CERTIFIED PUBLIC ACCOUNTANT**

**612 Barksdale Blvd.**  
**Bossier City, Louisiana 71111**

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 Bossier Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-28-04

**ANNUAL FINANCIAL REPORT**  
**OF THE**  
**BOSSIER ARTS COUNCIL**

**For the**  
**Fiscal Year Ended June 30, 2003**

BOSSIER ARTS COUNCIL

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*James T. Bates*

CERTIFIED PUBLIC ACCOUNTANT  
612 BARKSDALE BOULEVARD  
BOSSIER CITY, LOUISIANA 71111

MEMBER  
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To the Board of Directors  
Bossier Arts Council

I have compiled the accompanying statement of financial position of the Bossier Arts Council (a nonprofit organization) as of June 30, 2003 and the related statement of activities for the year then ended, in accordance with the 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. I have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

*James T. Bates*

December 29, 2003

BOSSIER ARTS COUNCIL  
STATEMENT OF FINANCIAL POSITION  
June 30, 2003

ASSETS

Current Assets

Cash and Cash Equivalents	\$	10,400
Certificates of Deposits		<u>83,020</u>

Total Current Assets		\$ 93,420
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Furniture and Equipment, at Cost, Net		16,177
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Other Assets Deposits		<u>100</u>
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TOTAL ASSETS		<u>\$ 109,697</u>
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LIABILITIES AND NET ASSETS

Current Liabilities

Accrued Payroll Taxes Payable	\$	<u>2,280</u>
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Total Current Liabilities		2,280
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Net Assets

Unrestricted	\$	53,536
Temporarily Restricted		<u>53,881</u>

Total Net Assets		<u>107,417</u>
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TOTAL LIABILITIES AND NET ASSETS		<u>\$ 109,697</u>
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See Accountant's Compilation Report.

BOSSIER ARTS COUNCIL  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2003

	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue			
Support			
Contributions	\$ 4,363	\$ 12,159	\$ 16,522
State Arts Council Grants	19,160	39,936	59,096
Local Governmental Grants			
Police Jury	0	5,000	5,000
School Board	0	18,896	18,896
Municipal	133,000	25,000	158,000
	<hr/>	<hr/>	<hr/>
Total Support	156,523	100,991	257,514
Revenue			
East Bank Theatre Ticket Sales	27,856	0	27,856
East Bank Gallery Revenues	11,633	0	11,633
Membership Dues	4,895	0	4,895
Services	6,366	0	6,366
Fund Raisers	19,318	0	19,318
Interest	997	860	1,857
	<hr/>	<hr/>	<hr/>
Total Revenue	71,065	860	71,925
Net Assets Released From Restrictions	96,412	(96,412)	0
	<hr/>	<hr/>	<hr/>
Total Support and Revenue	324,000	5,439	329,439
Expenses			
Program			
Annually Funded Grants	44,398	0	44,398
Arts in Education Grants	8,253	0	8,253
Student Art Grants	11,900	0	11,900
Community Development Programs	19,917	0	19,917
Public Art Projects	20,250	0	20,250
Gallery Expenses	12,162	0	12,162
Theater Productions	46,704	0	46,704
	<hr/>	<hr/>	<hr/>
Total Program Expense	163,584	0	163,584
Fundraising Expense	7,557	0	7,557
Administration Expense	162,031	0	162,031
	<hr/>	<hr/>	<hr/>
Total Expenses	333,172	0	333,172
Change in Net Assets	(9,172)	5,439	(3,733)
Net Assets Beginning of Year	62,708	48,442	111,150
	<hr/>	<hr/>	<hr/>
Net Assets End of Year	\$ 53,536	\$ 53,881	\$ 107,417
	<hr/>	<hr/>	<hr/>

See Accountant's Compilation Report.

BOSSIER ARTS COUNCIL  
STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2003

Operating Activities	
Change in Net Assets	\$ (3,733)
Adjustments to Reconcile Change in Nets Assets to Net Cash Provided by Operating Activities:	
Depreciation	5,328
Increase (decrease) in operating liabilities Accrued Payroll Taxes Payable	<u>364</u>
Net Cash Provided by Operating Activi	<u>1,959</u>
Investing Activities	
Purchase of Furniture and Equipment	<u>(1,640)</u>
Net Cash Provided by Investing Activi	<u>(1,640)</u>
Financing Activities	
Purchase of Certificates of Deposit	(83,020)
Liquidation of Certificates of Deposit	<u>80,739</u>
Net Cash Provided by Financing Activi	<u>(2,281)</u>
Net Increase (Decrease) in Cash	(1,962)
Cash at Beginning of Year	<u>12,362</u>
Cash at End of Year	<u><u>\$ 10,400</u></u>

See Accountant's Compilation Report.

BOSSIER ARTS COUNCIL  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2003

(1) Summary of Significant Accounting Policies  
A. Nature of Activities

The Bossier Arts Council was incorporated in 1980 as a nonprofit corporation for the purpose of fostering, promoting, supporting, and providing cultural events and arts programming of the highest quality for Bossier Parish, Louisiana. The Council is operated by staff with oversight by a volunteer Board of Directors.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

C. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

D. Public Support and Revenue

Contributions are recorded when received and are generally available for unrestricted use unless specifically restricted by the donor.

Grants and other contributions are recorded when received and are generally available for unrestricted use unless specifically restricted by the donor.

Contributions of donated noncash assets are recorded at their fair market values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individual possessing skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

E. 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 those estimates.

(Continued)

BOSSIER ARTS COUNCIL  
NOTES TO FINANCIAL STATEMENTS

F. Cash and Cash Equivalents

Cash in checking and savings is considered cash and cash equivalents for the purpose of the statement of cash flows.

G. Income Taxes

The Council is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in these financial statements.

H. Property and Equipment

Assets have been recorded at cost, or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method over the estimated useful life of each asset.

(2) Cash and Cash Equivalents

Cash and cash equivalents consisted of the following at June 30, 2003.

Petty Cash on Hand	\$ 600
Citizen's National Bank - Checking	8,796
Citizen's National Bank - Money Market	<u>1,004</u>
	<u>\$10,400</u>

(3) Certificates of Deposit

Certificates of deposit with varying maturity dates consisted of the following at June 30, 2003.

Citizen's National Bank	\$62,195
Bank One	10,141
Hibernia National Bank	<u>10,684</u>
	<u>\$83,020</u>

(4) Furniture and Equipment

Furniture and Equipment consists of the following at June 30, 2003.

	Estimated Depreciable Life	Cost
Furniture and Equipment	5-10 Years	\$ 60,590
Accumulated Depreciation		<u>(44,413)</u>
Net investment in Furniture and Equipment		<u>\$ 16,177</u>

(Continued)

BOSSIER ARTS COUNCIL  
NOTES TO FINANCIAL STATEMENTS

(5) Donated Services and Facilities

The Council receives donated services from a variety of unpaid volunteers. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort under SFAS No. 116 have not been satisfied.

The Council occupies without charge from the City of Bossier City two buildings with an estimated rental value of \$48,000 per year which is included as support and expense.

# James T. Bates

CERTIFIED PUBLIC ACCOUNTANT  
612 BARKSDALE BOULEVARD  
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MEMBER  
AMERICAN INSTITUTE OF  
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To the Board of Directors  
Bossier Arts Council

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the Bossier Arts Council and the Legislative Auditor, State of Louisiana to assist the users in evaluating management's assertions about the Bossier Arts Council's compliance with certain laws and regulations during the year ended June 30, 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 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 Bossier Arts Council did not receive or expend any federal grants during the fiscal year and following are the expenditures for the state and local grants for the fiscal year ended June 30, 2003:

Grantor	Grant Purpose	Grant Date	Amount Expended
State of Louisiana, Division of the Arts	General Operating	07-01-02	19,160
Division of the Arts	Decentralized Arts Funding - FY 2001	10-31-01	4,880
Division of the Arts	Decentralized Arts Funding - FY 2002	07-27-02	39,518
City of Bossier City	Public Art	08-07-02	20,250
	General Operating	2002-2003	123,000
Bossier Parish School Board	Arts in Education	04-15-03	7,000
	8G Grants	2002-2003	11,896
Bossier Parish Police Jury	Louisiana Bicentennial Purchase	2002-2003	750

2. For each of the above listed awards, I 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, I traced the disbursements to supporting documentation as to proper amount and payee.

The examined supporting documentation for each of the disbursements revealed that the payment was for the proper amount and made to the correct payee.

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

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

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

Inspection of documentation supporting each of the selected disbursements indicated approvals from the president and treasurer of the board.

6. For the programs selected for testing 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.

The disbursements selected included one state program that was closed out during the period of my review. I compared the close-out report of the program with the entity's records and the amounts reported on the report agreed with the entity's financial records.

#### **Meetings**

7. I made inquiries as to whether 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 Bossier Arts Council is only required to post notice of each meeting and the accompanying agenda on the door of the Bossier Arts Council office building. Management does properly post the notice of the meetings as evidenced by the annotation on the agenda as to the dates posted.

#### **Comprehensive Budget**

8. For all grants exceeding \$5,000, I determined that each applicable federal, state or local grantor agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for the state grants included specific goals and objectives and measures of performance.

The Bossier Arts Council provided comprehensive budgets to the applicable 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 and measures of performance.

**Prior Comments and Recommendations**

9. There were no incidents in the prior year that required comments or recommendations.

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 Bossier Arts Council, the State of Louisiana Legislative Auditor, and the applicable state grantor 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. However, this report is a matter of public record and its distribution is not limited.



December 29, 2003

**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Entities)**  
(Date Transmitted)

James T. Bates \_\_\_\_\_  
Certified Public Accountant  
612 Barksdale Boulevard  
Bossier City, Louisiana 71111 \_\_\_\_\_ (Auditors)

In connection with your compilation of our financial statements as of  
June 30, 2003 \_\_\_\_\_ 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.

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 requirements, 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.

<u>Willis Blackshire</u>	Secretary	Date <u>7/9/03</u>
<u>Margene Garner</u>	Treasurer	Date <u>7/9/03</u>
<u>Steve Curry</u>	President	Date <u>7/8/03</u>