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**GOULD VOLUNTEER FIRE COMPANY NUMBER 2
FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 1995**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the parish, or concerned, 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 **APR 28 1996**

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EDWARD L. CAMNETAR, JR., CPA

(A Professional Accounting Corporation)

533 Amelia Street, Gretna, LA 70053

(504) 362-2544 FAX (504) 362-2663

Independent Accountant's Compilation Report

To the Board of Directors
Gould Volunteer Fire Company No. 2
Gretna, Louisiana

We have compiled the accompanying annual even general purpose financial statements of Gould Volunteer Fire Company No. 2 as of and for the year ended December 31, 1995, as required by Louisiana Revised Statutes 24:215, 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.



Edward L. Camnetar, Jr. CPA

A Professional Accounting Corporation

Gretna, LA
January 27, 1996

FINANCIAL STATEMENTS

LOCAL VOLUNTEER FIRE COMPANY NUMBER 1

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS

DECEMBER 31, 1995

	GOVERNMENTAL	ACCOUNT	TOTAL (MEMORANDUM)
	FUND TYPE	GROUP	
	GENERAL	GENERAL FUND ASSETS	LOCAL
ASSETS			
Cash (including certificates of deposit of \$50,000)	\$ 75,000	\$ 0	\$ 75,000
Fixed assets	0	12,500	12,500
TOTAL ASSETS	\$ 75,000	\$ 12,500	\$ 87,500
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	0	0	0
TOTAL LIABILITIES	0	0	0
Fund Balances			
Undesignated - unreserved	75,000	0	75,000
Investment in fixed assets	0	12,500	12,500
TOTAL FUND BALANCE	75,000	12,500	87,500
TOTAL LIABILITIES AND FUND BALANCE	\$ 75,000	\$ 12,500	\$ 87,500

See Auditor's Compliance Report
The accompanying notes are an integral part of this statement.

DELE VOLUNTEER FIRE COMPANY NUMBER 1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 1995

REVENUES	
Intergovernmental	\$ 255,151
Fees	175
Miscellaneous	1,400
Interest	<u>2,125</u>
TOTAL REVENUES	<u>260,851</u>
EXPENDITURES	
Administration expenses	15,141
Insurance	45,279
Fire fighting expenses	10,000
Payroll taxes	12,884
Radio repairs	1,540
Salaries	150,000
Utilities	8,110
Capital outlay	<u>2,117</u>
TOTAL EXPENDITURES	<u>256,071</u>
EXCESS OF REVENUES OVER EXPENDITURES	5,780
FUND BALANCE:	
AT BEGINNING OF YEAR	<u>71,750</u>
AT END OF YEAR	<u>\$ 77,530</u>

See Accountant's Compilation Report
The accompanying notes are an integral part of this statement.

**GOULD VOLUNTEER FIRE COMPANY NUMBER 2
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1981**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

DESCRIPTION OF ACTIVITIES:

Gould Volunteer Fire Company Number 2 (a non-profit organization) was established to provide fire fighting within the City of Gretna, Louisiana. In addition, the Organization provides fire code inspections for businesses within the city, as well as fire and rescue training for its members.

Because the Gould Volunteer Fire Company Number 2 received the vast majority of its financial support from the City of Gretna to provide a public service, it is considered a quasi-public entity for financial reporting purposes. Accordingly, the accompanying general purpose financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies applied in the preparation of the accompanying general purpose financial statements are described as follows:

FINANCIAL REPORTING ENTITY:

The accompanying general purpose financial statements include all funds and account groups which are controlled by the Gould Volunteer Fire Company Number 2. Control is based on application of the criteria established by the GASB for determining the reporting entity. The basic criteria, but not the only, is the ability to exercise oversight responsibility. Oversight responsibility is derived from, among other things, the ability to significantly influence operations. Based on the foregoing criteria, there are no component units which have been combined with the Gould Volunteer Fire Company Number 2 to form the reporting entity, nor are there any potential component units which should be combined with the Gould Volunteer Fire Company Number 2 to form the reporting entity.

FUND ACCOUNTING:

For financial reporting, the accounts of the Gould Volunteer Fire Company Number 2 are organized on a fund and account group basis, each of which is considered a separate accounting entity, with a separate set of self-balancing accounts which comprise the assets, liabilities, fund equity, revenues and expenditures. The Gould Volunteer Fire Company Number 2 has only one fund, the General Fund, which is used to account for all of its financial resources.

BASIS OF ACCOUNTING:

The Gould Volunteer Fire Company Number 2's accounting records for its General Fund are maintained on the cash basis of accounting. For financial reporting in accordance with generally accepted accounting principles, the accounting records are converted to the modified accrual basis under which revenues and expenditures are recognized as follows:

GOULD VOLUNTARIER FIRE COMPANY NUMBER 2
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 1995

REVENUES

Gould Volunteer Fire Company Number 1 received a majority of its revenues through monthly payments on a contract with the City of Gretna, Louisiana to provide fire fighting services. These revenues are recorded as Intergovernmental Revenues in the period when they are received. Other revenues are reported in the period in which they are earned.

EXPENDITURES

Expenditures are recognized when the related liability is incurred.

BUDGET

The Gould Volunteer Fire Company Number 2 is not legally required to adopt a budget. The Company did submit a budget to the City of Gretna, Louisiana as required by its contract with the City. Since this budget only covers a portion of the Company's operation, a comparison of actual results with a budget is not presented in the accompanying financial statements.

COMPENSATED ABSENCES

Accumulated annual (vacation) leave is reported in the General Fund because it is expected to be liquidated with expendable available financial resources. An expenditure or liability has not been recorded for accumulated sick leave because it is nonvested.

FIXED ASSETS

Certain fixed assets acquired in recent years are recorded as expenditures (capital outlay) in the General Fund when purchased and are accounted for in the General Fixed Assets Account Group. This only represents recent acquisitions of fixed assets and does not include other assets that are owned by the Company including land, buildings, furniture and equipment.

DONATED SERVICES

The value of donated services is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time to the Organization's fire fighting.

GOULD VOLUNTEER FIRE COMPANY NUMBER 2
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 1985

TOTAL COLUMN DOES COMBINED BALANCE SHEET

The total column on the combined balance sheet is captioned "non-members only" to indicate that this information is presented only to facilitate financial analysis. Data in the total column does not present financial position in conformity with generally accepted accounting principles.

NOTE 2

CASH

At December 31, 1985, the carrying amount of the Gould Volunteer Fire Company Number 2 bank accounts was \$78,082 and the bank balances were \$88,624 which was covered by federal depository insurance.

NOTE 3

CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group during the year ended December 31, 1985.

	Balance January 1, 1985	Additions	Deletions	Balance December 31, 1985
Fire Fighting Equipment & Other Equipment	\$ <u>15,806</u>	\$ <u>2,117</u>	\$ <u>0</u>	\$ <u>17,923</u>

EDWARD L. CAMNETAR, JR., CPA
A Professional Accounting Corporation
533 Amelia Street, Gretna, Louisiana 70053
(504) 383-2544 FAX (504) 383-2663

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

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by Greald Volunteer Fire Company No. 2 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Greald Volunteer Fire Company No. 2's compliance with certain laws and regulations during the year ended December 31, 1995 included in the accompanying Louisiana Assertion 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 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.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2214 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$5,000 and no expenditures were made for public works exceeding \$50,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 41:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (2) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management (agreed-upon procedure (2)) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year. The company was not required under statute to adopt a budget.

6. Trace the budget adoption and amendments to the minute book.

The company was not required to legally adopt a budget.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceeded budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:
 - (a) trace payments 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.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

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

(c) determine whether payment received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated proper approvals.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (for open meetings law).

Goald Volunteer Fire Company No. 2 is not required to post or advertise a notice of meetings.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

We inspected copies of all bank deposits slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Benefits

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the Goald Volunteer Fire Company No. 2 for the year ended December 31, 1992 indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged in, 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.

This report is intended solely for the use of Gould Volunteer Fire Company No. 2 and the Legislative Auditors, State of Louisiana, and should not be used by those who have not agreed to the procedures and takes 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.

Edward L. Comstock, Jr.

Edward L. Comstock, Jr. CPA

A Professional Accounting Corporation

Orleans, LA
June 27, 1996