

STUDIO 114, LLC
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

STUDIO 114, LLC
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DECEMBER 31, 2024 AND 2023

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INDEPENDENT AUDITORS' REPORT

To the Member and Management
of Studio 114, LLC
Lafayette, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Studio 114, LLC (a Louisiana Limited Liability Company), which comprise the balance sheets as of December 31, 2024 and 2023 and the related statements of operations, member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Studio 114, LLC as of December 31, 2024 and 2023, and the results of its operations, changes in member's equity and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Studio 114, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Studio 114, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Studio 114, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Studio 114, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information including the Schedule of Expenses and the Schedule of Compensation, Benefits, and Other Payments to the Agency Head or Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2025, on our consideration of Studio 114, LLC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Studio 114, LLC's internal control over financial reporting on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Studio 114, LLC's internal control over financial reporting and compliance.

Monroe, LA
May 1, 2025

STUDIO 114, LLC
BALANCE SHEETS
DECEMBER 31,

ASSETS

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
Cash - Operations	\$ 1,695	\$ 8,838
Accounts Receivable - Tenants	5,776	8,868
Accounts Receivable - Other	3,509	-
Prepaid Expenses	6,646	11,733
Total Current Assets	<u>17,626</u>	<u>29,439</u>
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Replacement Reserve	8,129	3,624
Tenants' Security Deposits	4,751	6,196
Total Restricted Deposits and Funded Reserves	<u>12,880</u>	<u>9,820</u>
PROPERTY AND EQUIPMENT		
Buildings	2,313,551	2,313,551
Furniture and Equipment	289,842	289,842
Site Improvements	74,839	74,839
Total	2,678,232	2,678,232
Less: Accumulated Depreciation	(940,841)	(869,061)
Net Depreciable Assets	1,737,391	1,809,171
Land	61,826	61,826
Total Property and Equipment	<u>1,799,217</u>	<u>1,870,997</u>
OTHER ASSETS		
Utility Deposits	800	800
Total Other Assets	<u>800</u>	<u>800</u>
Total Assets	<u>\$ 1,830,523</u>	<u>\$ 1,911,056</u>

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

STUDIO 114, LLC
BALANCE SHEETS
DECEMBER 31,

LIABILITIES AND MEMBER'S EQUITY

	<u>2024</u>	<u>2023</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 39,888	\$ 16,819
Accrued Expenses	930	1,880
Deferred Rent	167	364
Accrued Management Fees	377	443
Due to Related Party	152,639	127,639
Insurance Payable	-	2,256
Accrued Interest Payable	1,127	821
Current Portion of Long-Term Debt	<u>7,250</u>	<u>541,909</u>
Total Current Liabilities	<u>202,378</u>	<u>692,131</u>
DEPOSITS		
Tenant Security Deposits	<u>4,751</u>	<u>6,196</u>
Total Deposits	<u>4,751</u>	<u>6,196</u>
LONG-TERM LIABILITIES		
Notes Payable - LPTFA	555,805	555,805
Note Payable - CFB, Net of Unamortized Debt Issuance Costs	523,807	-
Deferred Developer Fee Payable	<u>43,173</u>	<u>43,173</u>
Total Long-Term Liabilities	<u>1,122,785</u>	<u>598,978</u>
Total Liabilities	<u>1,329,914</u>	<u>1,297,305</u>
MEMBER'S EQUITY		
Member's Equity	<u>500,609</u>	<u>613,751</u>
Total Member's Equity	<u>500,609</u>	<u>613,751</u>
Total Liabilities and Member's Equity	<u><u>\$ 1,830,523</u></u>	<u><u>\$ 1,911,056</u></u>

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

STUDIO 114, LLC
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31,

	<u>2024</u>	<u>2023</u>
REVENUE		
Rental Income	\$ 117,772	\$ 123,875
Vacancy	(18,668)	(22,452)
Late Fees, Forfeited Deposits, etc.	878	2,373
Bad Debts	(11,321)	(5,573)
Interest Income	<u>6</u>	<u>3</u>
Total Revenue	<u>88,667</u>	<u>98,226</u>
EXPENSES		
Maintenance and Repairs	37,901	33,619
Utilities	3,324	5,479
Administrative	19,444	19,784
Management Fees	5,358	5,593
Taxes	1,576	1,557
Insurance	34,894	37,980
Interest	27,532	23,533
Depreciation and Amortization	<u>71,780</u>	<u>90,565</u>
Total Expenses	<u>201,809</u>	<u>218,110</u>
Net Income (Loss)	<u><u>\$ (113,142)</u></u>	<u><u>\$ (119,884)</u></u>

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

STUDIO 114, LLC
STATEMENTS OF MEMBER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>Total</u>	<u>Lafayette Public Trust Financing Authority</u>
Member's Equity, December 31, 2022	\$ 733,635	\$ 733,635
Net Income (Loss)	<u>(119,884)</u>	<u>(119,884)</u>
Member's Equity, December 31, 2023	613,751	613,751
Net Income (Loss)	<u>(113,142)</u>	<u>(113,142)</u>
Member's Equity, December 31, 2024	<u><u>\$ 500,609</u></u>	<u><u>\$ 500,609</u></u>
 Profit and Loss Percentages	 <u><u>100.00%</u></u>	 <u><u>100.00%</u></u>

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

STUDIO 114, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ (113,142)	\$ (119,884)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	71,780	90,565
Amortization of Debt Issuance Costs	122	241
(Increase) Decrease in Accounts Receivable - Tenants	3,092	(2,472)
(Increase) Decrease in Accounts Receivable - Other	(3,509)	-
(Increase) Decrease in Prepaid Expenses	5,087	3,927
Increase (Decrease) in Accounts Payable	23,069	5,446
Increase (Decrease) in Deferred Rent	(197)	(475)
Increase (Decrease) in Accrued Management Fee	(66)	(39)
Increase (Decrease) in Accrued Expenses	(950)	(1,720)
Increase (Decrease) in Insurance Payable	(2,256)	2,256
Increase (Decrease) in Accrued Interest Payable	306	(127)
Increase (Decrease) in Security Deposit Liability	(1,445)	1,455
Total Adjustments	95,033	99,057
Net Cash Provided (Used) by Operating Activities	(18,109)	(20,827)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal Payments on Long-Term Debt	(10,974)	(16,159)
Net Change in Due to Related Party	25,000	45,201
Net Cash Provided (Used) by Financing Activities	14,026	29,042
Net Increase (Decrease) in Cash and Cash Equivalents	(4,083)	8,215
Cash and Cash Equivalents, Beginning of Year	18,658	10,443
Cash and Cash Equivalents, End of Year	\$ 14,575	\$ 18,658

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

STUDIO 114, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	<u>2024</u>	<u>2023</u>
Supplemental Disclosures of Cash Flow Information:		
Cash and Cash Equivalents		
Cash - Operations	\$ 1,695	\$ 8,838
Replacement Reserve	8,129	3,624
Tenants' Security Deposits	<u>4,751</u>	<u>6,196</u>
Total Cash and Cash Equivalents	<u><u>\$ 14,575</u></u>	<u><u>\$ 18,658</u></u>
Supplemental Disclosures of Cash Flow Information (Continued):		
Cash paid During the Year for:		
Interest	<u><u>\$ 27,104</u></u>	<u><u>\$ 23,419</u></u>

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

STUDIO 114, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE A – ORGANIZATION

Studio 114, LLC, (the “Company”), a Louisiana Limited Liability Company, was organized during the year ended December 31, 2010 to rehabilitate, develop, and operate a 15-unit apartment project, known as The Studios at LWG (the “Project”) in Lafayette, Louisiana. The Project consists of 8 HOME assisted and 7 market rate apartments. The Project is rented to low-income tenants and is operated in a manner necessary to comply with the Louisiana Housing Corporation, formally Louisiana Housing Finance Agency, Urban Rental Development Grant Agreement under the HOME Investment Partnership Program. The major activities of the Company are subject to the administrative directives, rules, and regulations of federal and state regulatory agencies, including but not limited to, the state housing finance agency. Such administrative directives, rules, and regulations are subject to change by federal and state agencies.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Basis of Accounting

The financial statements of the Company are prepared on the accrual basis of accounting and in accordance with U.S. generally accepted accounting principles.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash and cash equivalents represent unrestricted cash, restricted deposits, funded reserves and all highly liquid and unrestricted and restricted debt instruments purchased with a maturity of three months or less.

Cash and Other Deposits

The Company has a checking account at one or more financial institutions. Noninterest-bearing and interest-bearing accounts, in the aggregate, are insured up to \$250,000 at each financial institution by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2024, there were no uninsured deposits.

STUDIO 114, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FASB ASC 360, *Property, Plant, and Equipment*

FASB ASC 360, *Property, Plant, and Equipment* requires that long-lived assets and certain identifiable intangibles held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Application of the impairment provisions of FASB ASC 360, *Property, Plant, and Equipment* has not materially affected the Company's reported earnings, financial condition or cash flows.

Collateralization Policy for Financial Instruments

The Company does not require collateral to support financial instruments subject to credit risk.

Property, Equipment, and Depreciation

Land, buildings, improvements, and equipment are recorded at cost. Upon completion of the project, depreciation will be provided for in amounts sufficient to relate the cost of depreciable assets to operations using the straight-line method over their estimated service lives as follows:

Buildings	40 years
Furniture, Fixtures and Equipment	10 years
Site Improvements	20 years

Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statements of operations.

Organization Costs

Organization costs are expensed as incurred.

Debt Issuance Costs

Debt issuance costs, net of accumulated amortization, are reported as a direct reduction of the obligation to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using the interest method.

Income Taxes

The Company is a single member limited liability company and was structured as a disregarded entity for U.S. federal, state, and local income tax purposes. Accordingly, no provision for income taxes is made in the Company's financial statements.

STUDIO 114, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE C – RESTRICTED RESERVES

Replacement Reserve

In accordance with the Louisiana Housing Finance Agency 2011-2012 Home NOFA Award Urban Rental Development Grant Agreement, the Company shall deposit the sum of \$4,500 (or \$300 per unit) each year (the “Reserve Deposit”) into an account to be maintained at Community First Bank under the control of the Company provided that such funds may only be used by the Company for reimbursement to the operating account of expenditures made for capital repairs and replacements (generally, items that are depreciated). For the year ended December 31, 2024, \$4,500 was required to be funded to the Replacement Reserve account. The actual amount funded during the year ended December 31, 2024 was \$4,500, which resulted in the account being adequately funded for the year ended December 31, 2024. For the year ended December 31, 2023, \$4,500 was required to be funded to the Replacement Reserve account. The actual amount funded during the year ended December 31, 2023 was \$4,500, which resulted in the account being adequately funded for the year ended December 31, 2023. As of December 31, 2024, the account was underfunded by a total amount of \$2,620. As of December 31, 2024 and 2023, the Replacement Reserve had a balance of \$8,129 and \$3,624, respectively.

Replacement Reserve Account activity for the years ended December 31, 2024 and 2023 is as follows:

Beginning Balance 12/31/2022	\$	4,620
Deposits		4,500
Interest		3
Withdrawals		(5,499)
Ending Balance 12/31/2023		3,624
Deposits		4,500
Interest		5
Withdrawals		(–)
Ending Balance 12/31/2024	\$	<u>8,129</u>

NOTE D – MEMBER AND CAPITAL CONTRIBUTIONS

The Company has one member (Lafayette Public Trust Financing Authority). The Company records capital contributions as received and distributions as paid. During the years ended December 31, 2024 and 2023, the Company did not receive any contributions from the Member and no distributions were paid to the Member.

STUDIO 114, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE E – NOTES PAYABLE

Permanent Loan

During the year ended December 31, 2014, the Company converted its construction loan to a permanent loan with Community First Bank (CFB). The maximum loan amount that will be drawn is 800,000. The interest rate is a fixed rate at 6.00% per annum. Monthly payments of principal and interest in the amount of \$3,243 are due. The permanent loan shall mature on July 16, 2029, at which time all unpaid principal and interest are due and payable. The loan is primarily collateralized by a first mortgage on the Company's land and all subsequent improvements and assignment of the project's architectural plans, leases and rents, and all committed subsidies for the project. On July 16, 2024, the Partnership refinanced the loan through a Promissory Note with Community First Bank in the amount of \$533,908. The former interest rate as a fixed rate of 4.25% was revised to the current interest rate as a fixed rate of 6.00% per annum. The former monthly payment amount of principal and interest in the amount of \$3,298 was revised to the current monthly payment amount of principal and interest in the amount of \$3,243. The former maturity date of July 16, 2024 was revised to the current maturity date of July 16, 2029. All the other terms and conditions to the original agreement remained the same. As of December 31, 2024 and 2023, the balance of the loan was \$531,057 and \$542,031, respectively. As of December 31, 2024 and 2023, the loan accrued interest in the amount of \$1,127 and \$821, respectively.

	2024	2023
Note Payable – CFB	\$ 531,057	\$ 542,031
Less: Unamortized Debt Issuance Costs	(–)	(122)
Note Payable – CFB, Net	<u>\$ 531,057</u>	<u>\$ 541,909</u>

Notes Payable – Lafayette Public Trust Financing Authority (LPTFA)

On October 24, 2012, the Company entered into a loan agreement with Lafayette Public Trust Financing Authority, the Member, in the amount of \$1,010,000. The interest rate is a fixed rate of 0%. Commencing January 1, 2014, annual payments are required consisting of fifty percent (50%) of the net cash flow for the twelve (12) month period immediately preceding each payment. All outstanding principle shall be due and payable at the earlier to occur of December 30, 2030, the maturity date, or the sale, refinance, recapitalization or other material capital event related to the Project. The loan is collateralized by a second mortgage on the property. As of December 31, 2024 and 2023, the balance of the loan was \$549,000 and \$549,000, respectively.

On May 24, 2018, the Company entered into a loan agreement with Lafayette Public Trust Financing Authority, the Member, in the amount of \$6,805. The interest rate is a fixed rate of 0%. All outstanding principle shall be due and payable at the earlier to occur of May 24, 2048, the maturity date, or the sale, refinance, recapitalization or other material capital event related to the Project. The loan is collateralized by the land and property. As of December 31, 2024 and 2023, the balance of the loan was \$6,805 and \$6,805, respectively.

STUDIO 114, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE E – NOTES PAYABLE (CONTINUED)

Maturities of Long-Term Debt

Aggregate maturities of long-term debt for the next five years and thereafter are as follows:

Year Ending December 31	Amount
2025	\$ 7,250
2026	\$ 7,697
2027	\$ 8,172
2028	\$ 8,676
2029	\$ 499,262
Thereafter	\$ 555,805

The Company's LPTFA loan is to be repaid from net cash flow. As a result, the aggregate maturities of the LPTFA loan for the next five years cannot be reasonably estimated.

NOTE F – TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES

Developer Fee

On June 1, 2012, the Company entered into a Project Consultant Agreement with The Cartesian Company, Inc. in the amount of \$145,000 and a developer services agreement with the Lafayette Public Trust Financing Authority, the Member, in the amount of \$205,349 for services rendered for overseeing the construction and development of the apartment complex. These developer fees are capitalized into the basis of the building. As of December 31, 2024 and 2023, developer fees in the amount of \$43,173 and \$43,173, respectively, were payable and considered deferred.

Due to Related Party

During the years ended December 31, 2023 and 2022, Lafayette Public Trust Financing Authority, the Member, paid operating costs in the amount of \$39,281 and \$49,494 on behalf of the Company, respectively. As of December 31, 2024 and 2023, the Company owed \$152,639 and \$127,639 to Lafayette Public Trust Financing Authority, respectively.

NOTE G – ADVERTISING

Advertising costs are expensed as incurred. During the years ended December 31, 2024 and 2023, no advertising expense was incurred.

STUDIO 114, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE H – CONTINGENCY

The Company's Low Income Housing Tax Credits are contingent on its ability to maintain compliance with applicable sections of Section 42. Failure to maintain compliance with the occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period could result in recapture of previously taken tax credits plus interest.

NOTE I – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Company's sole asset is The Studios at LWG. The Company's operations are concentrated in the low-income real estate market. In addition, the Company operates in a heavily regulated environment. The operations of the Company are subject to the administrative directives, rules and regulations of federal and state regulatory agencies, including but not limited to, the state housing financing agency. Such administrative directives, rules and regulations are subject to change by federal and state agencies. Such changes may occur with little notice or inadequate funding to pay for related cost, including the additional administrative burden, to comply with a change.

NOTE J – SUBSEQUENT EVENTS

The Company has evaluated subsequent events through May 1, 2025, which is the date the financial statements were available for issue.

SUPPLEMENTARY INFORMATION

STUDIO 114, LLC
SCHEDULE OF EXPENSES
FOR THE YEARS ENDED DECEMBER 31,

	2024	2023
MAINTENANCE AND REPAIRS		
Salaries	\$ 11,030	\$ 11,723
Supplies and Repairs	17,774	10,387
Painting and Decorating	395	380
Grounds	-	183
Services	1,118	1,980
Pest Control	1,635	650
Garbage and Trash Removal	5,949	8,316
Total Maintenance and Repairs	<u>\$ 37,901</u>	<u>\$ 33,619</u>
UTILITIES		
Electricity	\$ 2,550	\$ 3,983
Water	221	461
Sewer	553	1,035
Total Utilities	<u>\$ 3,324</u>	<u>\$ 5,479</u>
ADMINISTRATIVE		
Salaries	\$ 8,337	\$ 7,614
Accounting	949	924
Legal and Professional Expenses	6,728	7,194
Telephone	1,291	1,295
Office Expenses	1,538	2,075
Bank Charges	359	411
Travel	15	48
Training	227	97
Other Administrative Expenses	-	126
Total Administrative	<u>\$ 19,444</u>	<u>\$ 19,784</u>
TAXES		
Payroll Taxes	\$ 1,576	\$ 1,557
Total Taxes	<u>\$ 1,576</u>	<u>\$ 1,557</u>

STUDIO 114, LLC
SCHEDULE OF EXPENSES
FOR THE YEARS ENDED DECEMBER 31,

	<u>2024</u>	<u>2023</u>
INSURANCE		
Property and Liability Insurance	\$ 33,627	\$ 35,715
Fidelity Bond	86	36
Workmen's Compensation Insurance	-	892
Health Insurance and Other Employee Benefits	1,181	1,337
Total Insurance	<u>\$ 34,894</u>	<u>\$ 37,980</u>
INTEREST EXPENSE		
Interest on Mortgage	\$ 27,532	\$ 23,529
Interest Expense Other	-	4
Total Interest Expense	<u>\$ 27,532</u>	<u>\$ 23,533</u>



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Partners and Management of
Studio 114, LLC
Lafayette, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Studio 114, LLC, which comprise the balance sheet as of December 31, 2024, and the related statements of operations, partners' equity (deficit), and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 1, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Studio 114, LLC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Studio 114, LLC's internal control. Accordingly, we do not express an opinion on the effectiveness of Studio 114, LLC's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Studio 114, LLC's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control, that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Studio 114, LLC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Studio 114, LLC's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Studio 114, LLC's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Monroe, Louisiana

May 1, 2025

STUDIO 114, LLC

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO THE AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

FOR THE YEAR ENDED DECEMBER 31, 2024

Please refer to the Schedule of Compensation, Benefits and Other Payments to the Agency Head or Chief Executive Officer included in the Lafayette Public Trust Finance Authority's audit report for information relative to compensation, benefits and other payments to the agency head or chief executive officer.

Studio 114, LLC
Schedule of Findings and Responses
For the Year Ended December 31, 2024

SECTION I – SUMMARY OF AUDIT RESULTS

Financial Statement Audit

Type of auditors' report issued:		Unmodified
Internal Control over financial reporting:		
Material Weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified that are not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Noted
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Noted

SECTION II – FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no finding for the year ended December 31, 2024.

Studio 114, LLC
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2024

The status of the prior year audit findings are summarized as follows:

There were no findings for the year ended December 31, 2023.