

KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

AUDITED FINANCIAL STATEMENTS
June 30, 2017 and 2016



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Kids' Orchestra, Inc.
Baton Rouge, Louisiana

We have audited the accompanying financial statements of Kids' Orchestra, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit of the June 30, 2016 financial statements in accordance with auditing standards generally accepted in the United States of America. We conducted our audit of the June 30, 2017 financial statements in accordance with the 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kids' Orchestra, Inc. as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of Error

As described in Note 7 to the financial statements, an invoice that should have been recorded as of June 30, 2016 was not recorded before the financial statements were released causing an understatement of expenses and accounts payable and an overstatement of unrestricted net assets. An adjustment was made to the prior period financials to correct the error. Our opinion is not modified with respect to that matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, reimbursements, benefits, and other payments to agency head, political subdivision head, or chief executive officer, as required by Louisiana Revised Statute 24:513(A)(3), is presented for purposes of additional analysis and is 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 audit 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 December 14, 2017, on our consideration of Kids' Orchestra Inc.'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance.

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CPAs & Financial Advisors
Baton Rouge, Louisiana
December 14, 2017



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KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

STATEMENT OF FINANCIAL POSITION
June 30, 2017 and 2016

ASSETS	2017	2016
UNRESTRICTED CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 40,765	\$ 19,724
Accounts Receivable	85,307	-
Pledges Receivable, Current Portion	20,260	-
Prepaid Expenses	-	62
TOTAL UNRESTRICTED CURRENT ASSETS	146,332	19,786
PROPERTY AND EQUIPMENT:		
Leasehold Improvements	38,936	38,936
Furniture and Equipment	29,169	25,439
Music Equipment	133,247	118,323
TOTAL PROPERTY AND EQUIPMENT	201,352	182,698
Less Accumulated Depreciation	(100,656)	(65,389)
NET PROPERTY AND EQUIPMENT	100,696	117,309
OTHER ASSETS		
Pledges Receivable, Noncurrent Portion	51,802	-
TOTAL ASSETS	\$ 298,830	\$ 137,095
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts Payable	\$ 7,515	\$ 12,928
Deferred Revenue	46,326	-
Payroll Liabilities	15,904	9,884
Due to Affiliates	60,752	-
TOTAL LIABILITIES (ALL CURRENT)	130,497	22,812
NET ASSETS:		
Unrestricted	116,531	114,283
Temporarily Restricted	51,802	-
TOTAL NET ASSETS	168,333	114,283
TOTAL LIABILITIES AND NET ASSETS	\$ 298,830	\$ 137,095

See Accompanying Notes to the Financial Statements

KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

STATEMENT OF ACTIVITIES
For the Years Ended June 30, 2017 and 2016

CHANGES IN UNRESTRICTED NET ASSETS	2017	2016
Unrestricted Revenues		
Corporate Contributions	\$ 470,158	\$ 725,920
Foundation Contributions	106,047	129,477
Individual Contributions	57,270	22,089
Other Contributions	38,312	13,995
Student Dues	134,783	114,373
State Grant	401,357	-
 TOTAL UNRESTRICTED REVENUE	 1,207,927	 1,005,854
Expenses		
Program Expenses	878,079	678,571
Management and General Expenses	146,481	168,357
Fundraising Expenses	166,135	125,949
 TOTAL EXPENSES	 1,190,695	 972,877
Other Income (Expenses)		
Miscellaneous Income	-	120
Interest Income	23	12
Depreciation Expense	(35,267)	(31,339)
 TOTAL OTHER EXPENSES	 (35,244)	 (31,207)
 (DECREASE) INCREASE IN UNRESTRICTED NET ASSETS	 (18,012)	 1,770
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Pledges Receivable	72,062	-
 INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	 72,062	 -
 INCREASE IN NET ASSETS	 54,050	 1,770
 NET ASSETS, BEGINNING OF YEAR	 114,283	 112,513
 NET ASSETS, END OF YEAR	 \$ 168,333	 \$ 114,283

See Accompanying Notes to the Financial Statements

KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2017 and 2016

	2017			
	Program	Management and General	Fundraising	Total
EXPENSES:				
Advertising	\$ 1,057	\$ 65	\$ 893	\$ 2,015
Auto	4,816	1,115	228	6,159
Contract Labor	361,263	0	10,195	371,458
Dues and Subscriptions	3,320	594	1,281	5,195
Education and Seminars	12,844	0	806	13,650
Employee Benefits	251	1,050	137	1,438
Fundraising Expenses	-	-	15,327	15,327
Insurance	42,143	12,635	10,003	64,781
Materials	24,255	-	-	24,255
Meals and Entertainment	-	4,161	311	4,472
Meetings and Conferences	-	275	635	910
Occupancy Costs	-	16,006	-	16,006
Office Expenses	-	14,040	-	14,040
Orchestra Costs	7,930	-	-	7,930
Other Expenses	19,869	7,228	-	27,097
Payroll Taxes	19,551	5,483	7,684	32,718
Professional Fees	15,125	8,147	-	23,272
Postage and Printing	4,701	528	10,445	15,674
Photography and Video	-	-	1,214	1,214
Repairs	4,436	-	-	4,436
Salaries	260,716	68,659	106,947	436,322
Storage	3,177	-	-	3,177
Telephone	-	5,117	-	5,117
Transportation	92,625	-	-	92,625
Website	-	1,378	29	1,407
TOTAL FUNCTIONAL EXPENSES	\$ 878,079	\$ 146,481	\$ 166,135	\$ 1,190,695

See Accompanying Notes to the Financial Statements



2016

	Program	Management and General	Fundraising	Total
EXPENSES:				
Advertising	\$ 45	\$ 31	\$ 5,487	\$ 5,563
Auto	4,965	-	562	5,527
Contract Labor	299,272	581	2,450	302,303
Dues and Subscriptions	-	1,347	922	2,269
Education and Seminars	531	-	2,942	3,473
Employee Benefits	78	2,835	87	3,000
Fundraising Expenses	-	-	12,649	12,649
Insurance	41,611	8,445	5,765	55,821
Materials	13,749	-	-	13,749
Meals and Entertainment	-	1,654	4,117	5,771
Meetings and Conferences	-	-	822	822
Occupancy Costs	-	8,920	-	8,920
Office Expenses	-	9,676	-	9,676
Orchestra Costs	8,846	-	-	8,846
Other Expenses	631	1,182	-	1,813
Payroll Taxes	13,975	8,358	6,058	28,391
Professional Fees	-	30,003	-	30,003
Postage and Printing	259	454	6,328	7,041
Photography and Video	-	-	-	-
Instrument Repairs	4,076	-	-	4,076
Salaries	210,756	81,420	75,839	368,015
Storage	4,230	-	-	4,230
Taxes and Licenses	-	15	-	15
Telephone	-	5,112	-	5,112
Transportation	75,547	8,073	-	83,620
Website	-	251	1,921	2,172
TOTAL FUNCTIONAL EXPENSES	\$ 678,571	\$ 168,357	\$ 125,949	\$ 972,877

See Accompanying Notes to the Financial Statements

KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

STATEMENT OF CASH FLOWS
For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Unrestricted Net Assets	\$ (18,012)	\$ 1,770
Adjustments to Reconcile Change in Unrestricted Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	35,267	31,339
Decrease (Increase) in Assets:		
Accounts Receivable	(85,307)	-
Prepaid Expenses	62	(62)
Increase (Decrease) in Liabilities:		
Accounts Payable	(5,413)	1,389
Deferred Revenue	46,326	(7,200)
Payroll Liabilities	6,020	2,375
Due to Affiliates	60,752	(20,522)
	<u>39,695</u>	<u>9,089</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Furniture and Equipment	(3,730)	(3,208)
Purchases of Music Equipment	(14,924)	(20,463)
	<u>(18,654)</u>	<u>(23,671)</u>
NET CASH USED BY INVESTING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	21,041	(14,582)
BEGINNING CASH AND CASH EQUIVALENTS	<u>19,724</u>	<u>23,492</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$ 40,765</u>	<u>\$ 8,910</u>

See Accompanying Notes to the Financial Statements

KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2017 and 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business – The Kids' Orchestra, Inc. (the Organization) is a not-for-profit entity that was organized for the purpose of providing music education, instruments, and leadership development and performance opportunities to kindergarten through fifth grade students of all races, cultures, and backgrounds.

Program and Supporting Services - The Organization receives most of its income from corporate contributions and a grant from the State of Louisiana. The Organization also receives contributions from foundations and individuals.

Basis of Accounting – The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation – The Organization 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. Unrestricted net assets are resources that are free of donor-imposed or time restrictions and are available at the directions of the governing board. Temporarily restricted assets are resources that are limited by donor-imposed stipulations that either expires by passage of time or can be fulfilled and removed by specific action pursuant to those stipulations. Permanently restricted assets are those resources whose use is limited to donor-imposed stipulations that neither expires by passage of time nor can be fulfilled or otherwise removed by specific action. The Organization did not have any temporarily or permanently restricted net assets as of June 30, 2016 and did not have any permanently restricted assets as of June 30, 2017.

Revenue Recognition – The Organization accounts for all income sources as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 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 statement of cash flows, management considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Promises to Give – Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use until after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.



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KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2017 and 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment – Property and equipment are stated at cost. Expenditures for additions, renewals and betterments are capitalized; expenditures for maintenance and repairs are charged to expenses as incurred. Upon retirement or disposal of assets, the costs and accumulated depreciation or amortization are removed from the accounts and any gain or loss is included in income. Depreciation expense for the years ended June 30, 2017 and 2016 was \$35,267 and \$31,339, respectively.

Depreciation is calculated on the straight-line method based on the estimated useful lives of the assets.

Building	39 Years
Furniture and Fixtures	5-7 Years
Machinery and Equipment	5-10 Years

Income Taxes – The Organization has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, no provision for income taxes has been made; however, if the Organization should engage in activities unrelated to the purpose for which it was created, taxable income could result. The Organization has no unrelated business income for the years ended June 30, 2017 and 2016.

Concentration of Support – For the years ended June 30, 2017 and 2016, the Organization received approximately 37% and 70%, respectively, of its annual revenues from corporate contributions. For the years ended June 30, 2017 and 2016, the Organization received 96% of its corporate contributions from related parties (see Note 2).

For the year ended June 30, 2017, the Organization received approximately 33% of its annual revenue from a grant from the State of Louisiana Department of Education.

Advertising – The Organization expenses advertising costs as they are incurred. The Organization had \$2,015 and \$5,563 in advertising expense for the years ended June 30, 2017 and 2016, respectively.

Expense Allocation – Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Deferred Revenue – Income from unearned revenue is deferred and recognized over the periods to which the revenue relates.

Reclassifications – Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

NOTE 2: RELATED PARTY TRANSACTIONS

The Organization and The Powell Group, Inc. (Powell) are affiliated organizations through common management. Both organizations share common accounting personnel. The Organization reimburses Powell for insurance, office expenses, employee benefit costs, and other expenses. For the years ended June 30, 2017 and 2016, the Organization incurred \$128,664 and \$89,964, respectively, in expenses paid by Powell. The Organization reimbursed Powell \$67,912 and \$89,964 during the year ended June 30, 2017 and 2016, respectively. The Organization owed Powell \$60,752 and \$0 at June 30, 2017 and 2016, respectively. During the years ended June 30, 2017 and 2016, the Organization reimbursed an affiliated organization \$6,160 and \$2,560 for advertising, respectively.



KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2017 and 2016

NOTE 2: RELATED PARTY TRANSACTIONS (CONTINUED)

The Organization is affiliated with numerous other organizations through common management, common board of directors, and accounting personnel. For the years ended June 30, 2017 and 2016, nine and ten affiliated organizations contributed \$450,000 and \$700,000, respectively, in corporate contributions.

NOTE 3: EMPLOYEE BENEFIT PLAN

The Organization provides a defined contribution employee benefit plan qualifying under Internal Revenue Code Section 401(a). To participate in the plan, employees must work full-time and must have provided one year of service. Employees may elect to contribute a portion of their base salary on a pre-tax basis. Company contributions to the plan are discretionary. The Organization contributed \$1,438 and \$3,000 to the plan for the years ended June 30, 2017 and 2016, respectively.

NOTE 4: OPERATING LEASES

The Organization maintains a five year operating lease for a copy machine beginning on June 19, 2014 and ending on June 19, 2019. The monthly lease payment is \$184 plus additional usage charges. For the years ended June 30, 2017 and 2016, rent expense was \$6,028 and \$3,979, respectively. Future minimum payments for the next two years are \$2,208 a year.

NOTE 5: INCOME TAXES

The Organization follows FASB Accounting Standards Codification, which provides guidance on accounting for uncertainty in income taxes recognized in an organization's financial statements. The guidance prescribes a recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. As of June 30, 2017 and 2016, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. No interest and penalties were recorded during the years ended June 30, 2017 and 2016. Generally, the tax years before 2014 are no longer subject to examination by federal, state, or local taxing authorities.

NOTE 6: PLEDGE RECEIVABLE

Pledges receivable are unconditional promises to pay certain amounts in the future. Management believes that the pledges will be collected in full therefore no allowance for uncollectible receivable has been recorded. Pledges due beyond one year have been discounted at an annual rate of 1.38% for 2 year pledges and 1.72% for 4 year pledges received in 2017. Pledges receivable consists of the following:

	<u>2017</u>	<u>2016</u>
Pledges Receivable	\$ 75,100	\$ -
Less:		
Discount for Future Payments	<u>(3,038)</u>	<u>-</u>
Pledges Receivable, net	<u>\$ 72,062</u>	<u>\$ -</u>
Current Pledges Receivable, net	\$ 20,260	\$ -
Non-Current Pledges Receivable, net	<u>51,802</u>	<u>-</u>
	<u>\$ 72,062</u>	<u>\$ -</u>



KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2017 and 2016

NOTE 7: PRIOR PERIOD ADJUSTMENT

During the current year, the Organization received an invoice for insurance that related to the prior year. As a result, insurance expense and accounts payable were understated and unrestricted net assets were overstated. Accordingly, an adjustment was made during the current year to correct unrestricted net assets as of the beginning of the year.

NOTE 8: SUBSEQUENT EVENTS

The Company has evaluated all subsequent events through December 14, 2017, the date the financial statements were available to be issued.



KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS, AND OTHER PAYMENTS TO AGENCY
HEAD, POLITICAL SUBDIVISION HEAD, OR CHIEF EXECUTIVE OFFICER

June 30, 2017 and 2016

No compensation, reimbursements, or benefits were provided to the agency head using public funds for the years ended June 30, 2017 and 2016.





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*

Board of Directors
Kids' Orchestra, Inc.
Baton Rouge, Louisiana

We have audited, in accordance with the 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 Kids' Orchestra, Inc. (a not-for-profit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 14, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Kids' Orchestra, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Kids' Orchestra, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 the entity'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Kids' Orchestra, Inc.'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 determination of financial statement amounts. 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 the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CPAs & Financial Advisors
Baton Rouge, Louisiana
December 14 2017

KIDS' ORCHESTRA, INC.
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2017

Finding Relating to the Financial Statements Required to be Reported in Accordance with Government Auditing Standards

Current Year Findings

There were no findings for the year ended June 30, 2017.

