

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
FINANCIAL REPORT  
JUNE 30, 2017

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James L. Nicholson, Jr., CPA  
G. Kenneth Pavy, II, CPA  
Michael A. Roy, CPA  
Lisa Trouille Manuel, CPA  
Dana D. Quebedeaux, CPA



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Families Helping Families of Acadiana, Inc.  
Lafayette, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Families Helping Families of Acadiana, Inc. (a nonprofit organization), which comprise the statements 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.

### **Management's Responsibilities 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 audit. We conducted our audit 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. 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 risk 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 Families Helping Families of Acadiana, Inc. as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors  
Families Helping Families of Acadiana, Inc.  
Page 2

### **Other Matters**

#### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer 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 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 18, 2017, on our consideration of Families Helping Families of Acadiana, 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 Families Helping Families of Acadiana, Inc.'s internal control over financial reporting and compliance.



Lafayette, Louisiana  
December 18, 2017

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2017

ASSETS

	2017
<u>Current Assets</u>	
Cash	\$ 119,254
Certificate of deposit	6,097
Grants receivable	27,900
Prepaid insurance	1,983
<u>Total current assets</u>	155,234
 <u>Property and Equipment</u>	
Equipment and furniture	141,105
Less: Accumulated depreciation	(27,306)
<u>Total property and equipment</u>	113,799
 <u>Total assets</u>	269,033

LIABILITIES AND NET POSITION

<u>Current Liabilities</u>	
Accounts payable	\$ 823
Payroll taxes payable	907
Line of credit - Union Bank	100
Note payable - Union Bank	4,132
<u>Total current liabilities</u>	5,962
 <u>Net Assets</u>	
Unrestricted	263,071
 <u>Total liabilities and net assets</u>	269,033

The accompanying notes are an integral part of this statement.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017

	<u>2017</u>
<u>REVENUES AND OTHER SUPPORT</u>	
Government contracts and grants	\$ 265,772
Contributions and memberships	12,124
Interest and other income	2,034
<u>Total revenues and other support</u>	<u>279,930</u>
<u>FUNCTIONAL EXPENSES</u>	
Program services	174,218
Management and general	55,600
<u>Total functional expenses</u>	<u>229,818</u>
<u>CHANGE IN NET ASSETS</u>	50,112
<u>NET ASSETS</u> , beginning of year	<u>212,959</u>
<u>NET ASSETS</u> , end of year	<u>263,071</u>

The accompanying notes are an integral part of this statement

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2017

	2017		
	Program Services	Management and General	Total
Accounting	\$ 9,346	\$ -	\$ 9,346
Advertising	442	-	442
Auto expense	1,487	-	1,487
Bank charges	-	53	53
Interest	-	919	919
Conferences and workshops	2,505	-	2,505
Copier	2,426	-	2,426
Depreciation	-	4,464	4,464
Donations	145	-	145
Dues and subscriptions	575	-	575
Insurance	4,901	7,273	12,174
Miscellaneous expense	998	-	998
Office supplies	4,520	-	4,520
Payroll taxes	10,527	2,405	12,932
Postage and shipping	870	-	870
Printing and publications	133	-	133
Repairs and maintenance	-	8,079	8,079
Salaries	115,683	31,433	147,116
Stipends	3,130	-	3,130
Taxes and licenses	-	974	974
Telephone	2,926	-	2,926
Training and education	6,352	-	6,352
Travel, meals, and lodging	2,354	-	2,354
Utilities	4,898	-	4,898
<u>Total functional expenses</u>	<u>174,218</u>	<u>55,600</u>	<u>229,818</u>

The accompanying notes are an integral part of this statement.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2017

	<u>2017</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Change in net assets	\$ 50,112
Adjustment to reconcile change in net position to net cash provided by operating activities.	
Depreciation	4,464
Decrease (increase) in operating assets -	
Accounts receivable	14,737
Prepaid insurance	(84)
Increase (decrease) in operating liabilities -	
Accounts payable	387
Payroll taxes payable	(120)
<u>Net cash provided by operating activities</u>	<u>69,496</u>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>	
Purchase of property, plant and equipment	(10,864)
Reinvested interest from CD	(28)
<u>Net cash used by investing activities</u>	<u>(10,892)</u>
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>	
Principal paid on loans	(7,964)
<u>Net cash used by financing activities</u>	<u>(7,964)</u>
<u>CHANGE IN CASH AND CASH EQUIVALENTS</u>	50,640
<u>CASH AND CASH EQUIVALENTS, beginning of year</u>	<u>68,614</u>
<u>CASH AND CASH EQUIVALENTS, end of year</u>	<u>119,254</u>
<u>SUPPLEMENTAL DISCLOSURES OF CASH FLOW</u>	
Cash paid during the year for :	
Interest	<u>\$ 919</u>

The accompanying notes are an integral part of this statement

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE (1) - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF ORGANIZATION

Families Helping Families of Acadiana, Inc. (THE "FHF") administers programs for the benefit of individuals with disabilities and families who have children with special needs. FHF is a resource center for information, referrals, education, training, and peer support for all persons with disabilities and their families. FHF also serves as a resource for professionals. FHF serves the Louisiana parishes of Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, and Vermilion.

B. FINANCIAL STATEMENT PRESENTATION

The financial statements of FHF are prepared on the accrual basis of accounting. This means revenues are recognized when earned and expenses are recognized when incurred.

C. PROPERTY AND EQUIPMENT

FHF capitalizes all assets with a cost, or value if donated, in excess of \$500. These assets are depreciated over a five to thirty-nine year estimated useful life using the straight-line method.

D. CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

E. ACCOUNTS RECEIVABLE

Accounts receivable are considered collectible; accordingly, an allowance for doubtful accounts are not recorded.

F. USE OF ESTIMATES

Financial statements are prepared in conformity with generally accepted accounting principles. These principles require management to make estimates and assumptions affecting certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. INCOME TAX STATUS

FHF is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). The Organization's Forms 990, Return of Organization Exempt from Income Taxes, for the years ended 2016, 2015, and 2014 are subject to examination by the IRS, generally for three years after they were filed.

H. COMPENSATED ABSENCES

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

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE (1) - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - Continued

I. FUNCTIONAL EXPENSE ALLOCATIONS

A summary of the costs of providing various program and supporting services is in the statement of functional expenses. Accordingly, certain costs are allocated between the programs and supporting service benefited.

J. ADVERTISING COSTS

Advertising costs are expensed as incurred. Advertising expense for the year ended June 30, 2017 was \$442.

NOTE (2) - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2017 were as follows:

	<u>Balances</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balances</u> <u>June 30, 2017</u>
Land	\$ 16,238	\$ -	\$ -	\$ 16,238
Building and improvements	96,300	4,500	-	100,800
Furniture and equipment	17,703	6,364	-	24,067
<u>Total historical cost</u>	<u>130,241</u>	<u>10,864</u>	<u>-</u>	<u>141,105</u>
Less accumulated depreciation				
Building and improvements	(8,579)	(2,767)	-	(11,346)
Furniture and equipment	(14,263)	(1,697)	-	(15,960)
<u>Total accumulated depreciation</u>	<u>(22,842)</u>	<u>(4,464)</u>	<u>-</u>	<u>(27,306)</u>
<u>Capital assets, net</u>	<u>107,399</u>	<u>6,400</u>	<u>-</u>	<u>113,799</u>

Depreciation expense for the year ended June 30, 2017 was \$4,464.

NOTE (3) - CONCENTRATIONS OF CREDIT RISK

At the end of the year, the carrying amount of FHF's cash and investments was \$125,351. The bank balance of cash was \$123,420 and of investments was \$6,069. Investments are stated at cost or amortized cost, whichever approximates market. At June 30, 2017, all bank balances were fully secured by federal depository insurance.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, FHF's deposits may not be recovered. FHF does not have a policy for custodial credit risk.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017

NOTE (4) - RISK AND UNCERTAINTIES

The State of Louisiana, through various departments and agencies, is the primary controller of revenue for FHF. In the future, financial problems of the State of Louisiana may result in reduced funding. It is possible certain programs may be severely affected by these declining revenues. However, management believes changes can be incorporated into the continuing operations without a catastrophic result.

NOTE (5) - LINE OF CREDIT

FHF has a \$10,000 line of credit with Union Bank secured by real estate. As of June 30, 2017, the interest rate was 6.95% and the outstanding balance was \$100.

NOTE (6) - NOTES PAYABLE

Notes payable consist of the following:

6.50%	Installment note payable to Union Bank at \$852 monthly including interest, final payment January 2018, secured by building	<u>\$ 4,132</u>
	Total notes payable	<u><u>4,132</u></u>

Interest expense for the year ended June 30, 2017 was approximately \$918.

NOTE (7) - SUBSEQUENT EVENTS

Subsequent events were evaluated through December 18, 2017, which is the date the financial statements were available to be issued. As of December 18, 2017, there were no subsequent events noted.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER  
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER  
FOR THE YEAR ENDED JUNE 30, 2017

Agency Head Name: Mauricia Ledet-Walters, Executive Director

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 38,271
Benefits-insurance	0
Benefits-retirement	0
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Travel	232
Registration fees	0
Conference travel	362
Continuing professional education fees	244
Housing	0
Unvouchered expenses	0
Special meals	0

See Independent Auditor's Report.

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

To the Board of Directors  
Families Helping Families of Acadiana, Inc.  
Lafayette, 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 Families Helping Families of Acadiana, Inc. (a nonprofit organization), which comprise the statements 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 18, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Families Helping Families of Acadiana, Inc.'s internal control over financial reporting (internal control) to determine the auditing 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 Families Helping Families of Acadiana, 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 over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses that we consider to be a significant deficiency listed as item 2017-1.

To the Board of Directors  
Families Helping Families of Acadiana, Inc.  
Page 2

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Families Helping Families of Acadiana, Inc.'s financial statements are free of 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.

#### Families Helping Families of Acadiana Inc.'s Response to Findings

Families Helping Families of Acadiana, Inc.'s response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. Families Helping Families of Acadiana, Inc.'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

#### 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Organization's management and the appropriate regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties., the Board of Directors, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*John S Dowdy & Co.*

Lafayette, Louisiana  
December 18, 2017

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2017

SECTION I – SUMMARY OF AUDITOR'S REPORT

1. We have audited the basic financial statements of Families Helping Families of Acadiana, Inc. as of and for the year ended June 30, 2017, and have issued our report thereon dated December 18, 2017. We conducted our audit 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, if applicable. Our audit of the financial statements as of June 30, 2017 resulted in an unmodified opinion.
2. One significant deficiency and no material weaknesses relating to the audit of the financial statements were reported in the Independent Auditor's 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.
3. No instance of noncompliance relating to the audit of the financial statements were reported in the Independent Auditor's 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.
4. No management letter was issued for Families Helping Families of Acadiana, Inc. as of and for the year ended June 30, 2017.
5. There was no single audit required under 2 CFR 200.516(A) Uniform Guidance.

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2017-1 Segregation of Duties

Condition: Families Helping Families of Acadiana, Inc. does not have an adequate segregation of duties with respect to the accounting function. A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion. While we recognize that the Organization may not be large enough to permit an adequate segregation of duties for an effective system of internal control procedures, it is important that the Board be aware of this condition.

Criteria: Proper internal controls dictate that duties be segregated so that no one individual performs or controls all duties related to the accounting system.

Cause: There is inadequate segregation of duties within the accounting system.

Effect: Without adequate segregation of duties and oversight, errors or fraud could occur and not be detected increasing the risk of loss or theft of the Organization's assets.

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2017

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS - CONTINUED

2017-1 Segregation of Duties - Continued

Recommendation: Keeping in mind the limited number of employees to which the duties can be assigned, the Organization should monitor assignment of duties to assure as much segregation of duties and responsibilities as possible.

Corrective Action Plan: Management has provided as much segregation as possible with the resources available and will continue to monitor assignment and segregation of duties.

Contact Person: Mauricia Ledet-Walters, Director

SECTION III - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

Not Applicable

SECTION IV - MANAGEMENT LETTER

Not Applicable

FAMILIES HELPING FAMILIES OF ACADIANA, INC.  
LAFAYETTE, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2017

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2016-1 Segregation of Duties

Repeat comment

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

Not Applicable

SECTION III - MANAGEMENT LETTER

The prior year's report did not include a management letter.