

STUDIO 114, LLC  
AUDITED FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017

STUDIO 114, LLC  
TABLE OF CONTENTS  
DECEMBER 31, 2018 AND 2017

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
BALANCE SHEETS	3-4
STATEMENTS OF OPERATIONS	5
STATEMENTS OF MEMBER'S EQUITY	6
STATEMENTS OF CASH FLOWS	7-8
NOTES TO THE FINANCIAL STATEMENTS	9-13
SUPPLEMENTARY INFORMATION	
SCHEDULE OF EXPENSES	14
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 <i>GOVERNMENT AUDITING     STANDARDS</i>	15-16
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO THE AGENCY HEAD OR CHIEF EXECUTIVE OFFICER	17
SCHEDULE OF FINDINGS AND RESPONSES	18
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	19



## INDEPENDENT AUDITORS' REPORT

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

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, 2018 and 2017, 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.

### **Management's Responsibility for the Financial Statement**

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 the financial statements that is free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditors' 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 auditors consider 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 balance sheets referred to above present fairly, in all material respects, the financial position of Studio 114, LLC as of December 31, 2018 and 2017, 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.

### **Other Matters**

#### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. 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 April 11, 2019, 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 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 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.

*Little & Associates, LLC*

Monroe, LA  
April 11, 2019

STUDIO 114, LLC  
BALANCE SHEETS  
DECEMBER 31,

ASSETS

	2018	2017
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 4,089	\$ 1,589
Accounts Receivable - Tenants	2,649	2,670
Prepaid Expenses	3,039	2,606
Total Current Assets	9,777	6,865
 <b>RESTRICTED DEPOSITS AND FUNDED RESERVES</b>		
Replacement Reserve	13,538	13,135
Tenants' Security Deposits	5,998	5,800
Total Restricted Deposits and Funded Reserves	19,536	18,935
 <b>PROPERTY AND EQUIPMENT</b>		
Buildings	2,313,551	2,313,551
Furniture and Equipment	281,756	281,756
Site Improvements	74,839	74,839
Total	2,670,146	2,670,146
Less: Accumulated Depreciation	(418,862)	(329,106)
Net Depreciable Assets	2,251,284	2,341,040
Land	61,826	61,826
Total Property and Equipment	2,313,110	2,402,866
 <b>OTHER ASSETS</b>		
Utility Deposits	800	800
Total Other Assets	800	800
 Total Assets	 \$ 2,343,223	 \$ 2,429,466

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

STUDIO 114, LLC  
BALANCE SHEETS  
DECEMBER 31,

LIABILITIES AND MEMBER'S EQUITY

	2018	2017
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 440	\$ 3,184
Accrued Expenses	1,855	1,595
Deferred Rent	1,367	1,326
Due to Related Parties	15,000	15,000
Accrued Interest Payable	1,044	953
Current Portion Long-Term Debt	13,641	13,068
Total Current Liabilities	33,347	35,126
 <b>DEPOSITS</b>		
Tenant Security Deposits	5,998	5,800
Total Deposits	5,998	5,800
 <b>LONG-TERM LIABILITIES</b>		
Notes Payable - LPTFA	555,805	550,000
Mortgage Note Payable - CFB, Net of Unamortized Debt Issuance Costs	601,430	614,983
Deferred Developer Fee Payable	43,173	43,173
Total Long-Term Liabilities	1,200,408	1,208,156
Total Liabilities	1,239,753	1,249,082
 <b>MEMBER'S EQUITY</b>		
Member's Equity	1,103,470	1,180,384
Total Member's Equity	1,103,470	1,180,384
Total Liabilities and Member's Equity	\$ 2,343,223	\$ 2,429,466

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

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

	<u>2018</u>	<u>2017</u>
REVENUE		
Rental Income	\$ 117,593	\$ 117,457
Vacancy	(7,472)	(5,949)
Late Fees, Forfeited Deposits, etc.	2,170	1,562
Concessions	(2,681)	(325)
Bad Debts	<u>(2,280)</u>	<u>(1,200)</u>
Total Revenue	<u>107,330</u>	<u>111,545</u>
EXPENSES		
Maintenance and Repairs	20,085	27,699
Utilities	11,883	12,913
Administrative	15,579	22,548
Management Fees	6,752	6,774
Taxes	2,546	5,245
Insurance	11,957	12,169
Interest	25,686	27,242
Depreciation and Amortization	<u>89,756</u>	<u>89,756</u>
Total Expenses	<u>184,244</u>	<u>204,346</u>
Net Income (Loss)	<u>\$ (76,914)</u>	<u>\$ (92,801)</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, 2018 AND 2017

	Total	Lafayette Public Trust Financing Authority
Member's Equity, December 31, 2016	\$ 1,273,185	\$ 1,273,185
Net Income (Loss)	(92,801)	(92,801)
Member's Equity, December 31, 2017	1,180,384	1,180,384
Net Income (Loss)	(76,914)	(76,914)
Member's Equity, December 31, 2018	\$ 1,103,470	\$ 1,103,470
Profit and Loss Percentages	100.00%	100.00%

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

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

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	\$ (76,914)	\$ (92,801)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	89,997	89,997
(Increase) Decrease in Accounts Receivable - Tenants	21	(2,370)
(Increase) Decrease in Prepaid Expenses	(433)	768
Increase (Decrease) in Accounts Payable	(2,744)	1,412
Increase (Decrease) in Deferred Rent	41	1,325
Increase (Decrease) in Accrued Expenses	260	988
Increase (Decrease) in Accrued Interest Payable	91	(141)
Total Adjustments	87,233	91,979
Net Cash Provided (Used) by Operating Activities	10,319	(822)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Deposits to Replacement Reserve	(5,625)	(3,375)
Withdrawals from Replacement Reserve	5,222	-
Net Cash Provided (Used) by Investing Activities	(403)	(3,375)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal Payments on Long-Term Debt	(7,416)	(12,432)
Net Change in Due to Related Parties	-	15,000
Net Cash Provided (Used) by Financing Activities	(7,416)	2,568
Net Increase (Decrease) in Cash and Cash Equivalents	2,500	(1,629)
Cash and Cash Equivalents, Beginning of Year	1,589	3,218
Cash and Cash Equivalents, End of Year	\$ 4,089	\$ 1,589

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>2018</u>	<u>2017</u>
Supplemental Disclosures of Cash Flow Information:		
Cash paid During the Year for:		
Interest	<u>\$ 25,354</u>	<u>\$ 27,142</u>

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

STUDIO 114, LLC  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017

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 and all highly liquid and unrestricted 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, 2018, there were no uninsured deposits.

STUDIO 114, LLC  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017

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, 2018 AND 2017

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, 2018, \$4,500 was required to be funded to the Replacement Reserve account. The actual amount funded during the year ended December 31, 2018 was \$5,625, which resulted in the account being adequately funded for the year ended December 31, 2018. For the year ended December 31, 2017, \$4,500 was required to be funded to the Replacement Reserve account. The actual amount funded during the year ended December 31, 2017 was \$3,375, which resulted in the account being underfunded by \$1,125 for the year ended December 31, 2017. As of December 31, 2018, the account was adequately funded in total. As of December 31, 2018 and 2017, the Replacement Reserve had a balance of \$13,538 and \$13,135, respectively.

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, 2018 and 2017, the Company did not receive any contributions from the Member and no distributions were paid to the Member. As of December 31, 2018, the total capital contributions provided by the Member were \$0.

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 4.25% per annum. The final payment will be due on July 16, 2024, the maturity date. 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. As of December 31, 2018 and 2017, the balance of the loan was \$616,401 and \$629,622, respectively. As of December 31, 2018 and 2017, the loan accrued interest in the amount of \$1,044 and \$953, respectively.

	2018	2017
Note Payable – CFB	\$ 616,401	\$ 629,622
Less: Unamortized Debt Issuance Costs	(1,330)	(1,571)
Note Payable – CFB, Net	\$ 615,071	\$ 628,051

STUDIO 114, LLC  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2018 AND 2017

NOTE E – NOTES PAYABLE (CONTINUED)

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, 2018 and 2017, the balance of the loan was \$549,000 and \$550,000, 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, 2018, the balance of the loan was \$6,805.

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
2019	\$ 13,641
2020	\$ 14,232
2021	\$ 14,849
2022	\$ 15,492
2023	\$ 16,164
Thereafter	\$ 1,097,828

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, 2018 and 2017, developer fees in the amount of \$43,173 and \$43,173, respectively, were payable. Of this amount, \$43,173 and \$43,173 was considered deferred, respectively. The remaining developer fees payable as of December 31, 2018 and 2017 were owed to Lafayette Public Trust Financing Authority.

STUDIO 114, LLC  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2018 AND 2017

NOTE F – TRANSACTIONS WITH AFFILIATES AND RELATED PARTIES (CONTINUED)

Due to Related Party

During the year ended December 31, 2017, Lafayette Public Trust Financing Authority, the Member, paid operating costs in the amount of \$15,000 on behalf of the Company. As of December 31, 2018 and 2017, the Company owed \$15,000 and \$15,000 to Lafayette Public Trust Financing Authority, respectively.

NOTE G – SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 11, 2019, 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,

	<u>2018</u>	<u>2017</u>
<b>MAINTENANCE AND REPAIRS</b>		
Supplies and Repairs	\$ 6,867	\$ 12,668
Grounds	2,129	2,069
Services	1,322	1,111
Pest Control	2,556	2,869
Garbage and Trash Removal	5,063	4,681
Other Operating Expenses	2,148	4,301
Total Maintenance and Repairs	<u>\$ 20,085</u>	<u>\$ 27,699</u>
<b>UTILITIES</b>		
Electricity	\$ 6,887	\$ 6,702
Water	1,268	1,617
Sewer	3,728	4,594
Total Utilities	<u>\$ 11,883</u>	<u>\$ 12,913</u>
<b>ADMINISTRATIVE</b>		
Salaries	\$ 3,083	\$ 3,945
Accounting	2,700	2,700
Legal and Professional Expenses	7,319	13,880
Administrative Fee - LBPMI	600	600
Telephone	1,006	1,078
Office Expenses	52	22
Postage	113	-
Bank Charges	80	72
Credit Bureau	240	146
Travel	98	105
Other Administrative Expenses	288	-
Total Administrative	<u>\$ 15,579</u>	<u>\$ 22,548</u>
<b>TAXES</b>		
Payroll Taxes	\$ 2,546	\$ 5,245
Total Taxes	<u>\$ 2,546</u>	<u>\$ 5,245</u>
<b>INSURANCE</b>		
Property and Liability Insurance	\$ 11,750	\$ 11,673
Health Insurance and Other Employee Benefits	207	496
Total Insurance	<u>\$ 11,957</u>	<u>\$ 12,169</u>
<b>INTEREST EXPENSE</b>		
Interest on Mortgage	\$ 25,686	\$ 27,242
Total Interest Expense	<u>\$ 25,686</u>	<u>\$ 27,242</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 Members and Management of  
Studio 114, LLC  
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 Studio 114, LLC, which comprise the balance sheet as of December 31, 2018, and the related statements of operations, member's equity and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 11, 2019.

**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) to determine the 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 may exist that have not been identified.

### **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 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 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.

*Little & Associates, LLC*

Monroe, Louisiana  
April 11, 2019

STUDIO 114, LLC

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

FOR THE YEAR ENDED DECEMBER 31, 2018

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, 2018

**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, 2018.

Studio 114, LLC  
Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2018

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

None