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BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA

WEST MONROE, LOUISIANA

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
FOR THE YEAR ENDED
DECEMBER 31, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/5/09

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA

FINANCIAL STATEMENTS
DECEMBER 31, 2008

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 - HUD Audits
 - Non-Profit Organizations
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- Business & Financial Planning
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 - Individual & Partnership
 - Corporate & Fiduciary
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July 9, 2009

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
Boys and Girls Club of West Monroe, Inc.
d/b/a Boys and Girls Club of Northeast Louisiana
West Monroe, Louisiana

We have audited the financial statements of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana (a nonprofit organization) as of and for the year ended December 31, 2008, and have issued our report thereon dated July 9, 2009. We conducted our audit in accordance with accounting standards generally accepted in the United States of America applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Organization's financial statements that is more than inconsequential will not be prevented or detected by the Organization's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. These findings are identified in the schedule of findings and questioned costs as items 08-1, 08-2, 08-3 and 08-4.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Organization's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana'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 one instance of non-compliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item 08-5.

This report is intended for the information of the audit committee, management, and Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnston, Perry, Johnson & Associates, L.L.P.

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CERTIFIED PUBLIC ACCOUNTANTS

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July 9, 2009

INDEPENDENT AUDITORS' REPORT

Board of Directors
Boys and Girls Club of West Monroe, Inc.
d/b/a Boys and Girls Club of Northeast Louisiana
West Monroe, Louisiana

We have audited the accompanying statement of financial position of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana (a non-profit organization) as of December 31, 2008, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana as of December 31, 2008, and the changes in its net assets

and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 9, 2009 on our consideration of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana'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 or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents and the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>ASSETS</u>			
<u>CURRENT ASSETS</u>			
Cash and Cash Equivalents	302	-	302
Accounts Receivable - Grants	11,901	-	11,901
Prepaid Insurance	18,770	-	18,770
Unconditional Promise to Give - United Way Service and Capital One Funding in Next Calendar Year	-	50,000	50,000
Unconditional Promise to Give - Capital One Funding After Next Calendar Year	-	-	-
<u>TOTAL CURRENT ASSETS</u>	<u>30,973</u>	<u>50,000</u>	<u>80,973</u>
<u>FIXED ASSETS</u>			
Equipment and Leasehold Improvements, Net	73,495	-	73,495
<u>NET FIXED ASSETS</u>	<u>73,495</u>	<u>-0-</u>	<u>73,495</u>
<u>OTHER ASSETS</u>			
Other Assets	3,948	-	3,948
<u>TOTAL OTHER ASSETS</u>	<u>3,948</u>	<u>-0-</u>	<u>3,948</u>
<u>TOTAL ASSETS</u>	<u>108,416</u>	<u>50,000</u>	<u>158,416</u>
<u>LIABILITIES AND NET ASSETS</u>			
<u>CURRENT LIABILITIES</u>			
Accounts Payable	6,899	-	6,899
Accrued Payroll Taxes	3,578	-	3,578
Accrued Insurance	11,366	-	11,366
Pension Payable	1,590	-	1,590
Line of Credit	27,577	-	27,577
<u>TOTAL CURRENT LIABILITIES</u>	<u>51,010</u>	<u>-0-</u>	<u>51,010</u>
<u>NET ASSETS</u>	<u>57,406</u>	<u>50,000</u>	<u>107,406</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>108,416</u>	<u>50,000</u>	<u>158,416</u>

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

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>SUPPORT AND REVENUE</u>			
<u>SUPPORT</u>			
Grants	118,345	-	118,345
Contributions	22,097	-	27,097
Other	2,396	-	2,396
United Way Contributions	56,589	50,000	106,589
Net Assets Released from Restriction (United Way)	<u>87,500</u>	<u>(87,500)</u>	<u>-</u>
<u>TOTAL SUPPORT</u>	<u>286,927</u>	<u>(37,500)</u>	<u>249,427</u>
<u>REVENUE</u>			
Charitable Gaming - Net	30,463	-	30,463
Special Events - Net	12,216	-	12,216
Membership Dues	1,494	-	1,494
Program Service Fees	38,533	-	38,533
Concessions	7,201	-	7,201
Legalities and Bequests	150	-	150
Interest Income	34	-	34
Miscellaneous Income	<u>214</u>	<u>-</u>	<u>214</u>
<u>TOTAL REVENUE</u>	<u>90,305</u>	<u>-0-</u>	<u>90,305</u>
<u>TOTAL SUPPORT AND REVENUE</u>	<u>377,232</u>	<u>(37,500)</u>	<u>339,921</u>
<u>EXPENSES</u>			
Program Services	<u>362,921</u>	<u>-</u>	<u>362,921</u>
Support Services			
Management and General	35,889	-	35,889
Fund-Raising	<u>28,196</u>	<u>-</u>	<u>28,196</u>
<u>Total Support Services</u>	<u>64,085</u>	<u>-0-</u>	<u>64,085</u>
<u>TOTAL EXPENSES</u>	<u>427,006</u>	<u>-0-</u>	<u>427,006</u>
Change in Net Assets	(49,774)	(37,500)	(87,274)
<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>107,180</u>	<u>87,500</u>	<u>194,680</u>
<u>NET ASSETS AT END OF YEAR</u>	<u>57,406</u>	<u>50,000</u>	<u>107,406</u>

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

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Change in Net Assets	(87,274)
Adjustments to Reconcile Change in Unrestricted Net Assets To Net Cash Provided by Operating Activities	
Depreciation	12,013
(Increase) Decrease in Accounts Receivable - Grants	35,016
(Increase) Decrease in United Way Funding Commitment	-
(Increase) Decrease in Capital One Funding Commitment	37,500
(Increase) Decrease in Prepaid Insurance	(1,719)
Increase (Decrease) in Accounts Payable	2,580
Increase (Decrease) in Accrued Payroll Taxes	2,297
Increase (Decrease) in Accrued Insurance	(2,772)
Increase (Decrease) in Pension Payable	<u>1,590</u>
 Net Cash Provided (Used) By Operating Activities	 (<u>769</u>)
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>	
Purchase of Fixed Assets	(<u>3,277</u>)
 Net Cash Provided (Used) By Investing Activities	 (<u>3,277</u>)
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>	
Proceeds from Line-of-Credit	93,205
Payments on Line-of-Credit	(89,743)
 Net Cash Provided (Used) By Financing Activities	 <u>3,462</u>
 <u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	 (<u>584</u>)
 <u>CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD</u>	 <u>886</u>
 <u>CASH AND CASH EQUIVALENTS - END OF PERIOD</u>	 <u><u>302</u></u>
 Cash Paid for Interest	 2,731
Cash Paid for Income Taxes	-0-

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

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008

	Program Services	Support Services		Total
	Boys and Girls Club	Management And General	Fund- Raising	
Salaries	191,446	16,800	16,800	225,046
Employee Benefits	26,074	2,016	2,016	30,106
Payroll Taxes	14,561	1,680	1,680	17,921
Professional Fees	11,213	1,319	660	13,192
Supplies	30,583	3,598	1,799	35,980
Occupancy	38,908	4,577	2,289	45,774
Rental/Maintenance Equipment	1,959	231	115	2,305
Travel/Convention	8,067	949	475	9,491
Painting and Postage	1,202	142	71	1,415
Telephone	4,777	562	281	5,620
Insurance	13,880	1,633	817	16,330
Interest	2,321	273	137	2,731
Dues and Fees	5,653	665	333	6,651
Award/Grant	18	2	1	21
Depreciation	10,211	1,201	601	12,013
Miscellaneous	<u>2,048</u>	<u>241</u>	<u>121</u>	<u>2,410</u>
<u>TOTAL FUNCTIONAL EXPENSES</u>	<u>362,921</u>	<u>35,889</u>	<u>28,196</u>	<u>427,006</u>

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

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana (the Organization) is a local non-profit organization that provides a pool, gym, baseball, flag football, and basketball to boys and girls in northeast Louisiana. The Organization is supported through contributions by the United Way and various other grants.

Basis of Accounting

Financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Promises to Give

Under Statement of Financial Accounting Standards (SFAS) No. 116, contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, 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.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash equivalents. Fair value approximates carrying amounts.

Allocation of Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs, fund-raising costs, and supporting services benefited.

Reserve for Bad Debts

Accounts receivable have been reviewed by management and it has been determined that there is no requirement for an allowance for doubtful accounts as of December 31, 2008.

Income Tax Status

The Organization qualified as a tax-exempt organization under Section 501(C)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Advertising Costs

The Organization expenses advertising costs as they are incurred. Advertising expenses for the year ended December 31, 2008 were immaterial.

NOTE 2 - DONATED SERVICES:

No amounts have been reflected in the financial statements for donated services as no objective basis is available to measure the value of such services.

NOTE 3 - PLANT ASSETS AND DEPRECIATION:

Depreciation of plant assets is calculated on the straight line basis over the estimated useful lives of the assets. The Organization capitalizes all assets over \$1,000 with useful life greater than one year. The cost of such assets at December 31, 2008 is as follows:

	<u>Amount</u>
Land	25,000
Buildings	100,000
Pool	254,984
Computer Equipment	35,667
Vehicles	9,298
Equipment	68,699
Subtotal	493,648
Accumulated Depreciation	(420,153)
<u>Total</u>	<u>73,495</u>

NOTE 4 - FUND-RAISING COSTS:

Fund-raising costs, other than charitable gaming, special events, and concession sales, are detailed in the statement of functional expenses. The costs of charitable gaming, special events, and concessions are as follows:

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 4 - FUND-RAISING COSTS: (Continued)

	<u>Charitable Gaming</u>	<u>Special Events</u>	<u>Concessions</u>
Gross Sales	87,228	21,594	7,201
Cost of Sales	<u>56,765</u>	<u>9,378</u>	<u>-</u>
<u>NET PROFIT (LOSS)</u>	<u>30,463</u>	<u>12,216</u>	<u>7,201</u>

NOTE 5 - PENSION PLAN:

The Organization maintains an employee retirement plan for full-time, salaried employees. Employee contributions are equal to five percent of compensation. The pension contribution for the year was \$5,760.

NOTE 6 - NET ASSETS:

The Organization reports information regarding its financial position and activities according to these classes of net assets:

Unrestricted Net Assets - consists of assets, public support and program revenues which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Temporarily Restricted Net Assets - includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the organization. Resources of this nature originate from gifts, grants, bequests, contracts and investment income earned on restricted funds.

Permanently Restricted Net Assets - includes resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the organization to expend part or all of the income derived from the donated assets.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2008

NOTE 7 - LINE OF CREDIT:

The Organization established a \$35,000 line of credit with Capital One Bank. The interest rate on the line of credit is 7.64% and the outstanding balance is \$27,577 at December 31, 2008.

NOTE 8 - GRANT INCOME:

Grant income at December 31, 2008 consists of various grants totaling \$118,345. The details of the grant income are as follows:

Decentralized Arts Funding Program	1,177
Governor's Safe and Drug-Free Schools and Communities Program	431
Louisiana Alliance of Boys and Girls Clubs (TANF)	20,623
Office of Justice Programs	91,304
Miscellaneous Grants	<u>4,810</u>
<u>Total</u>	<u>118,345</u>

NOTE 9 - GRANT RECEIVABLES:

Accounts Receivable - Grants at December 31, 2008 consists of reimbursements for expenses incurred under the various grant programs. The following list presents Accounts Receivable - Grant(s) by fund at December 31, 2008:

Louisiana Alliance of Boys and Girls Clubs	11,901
<u>Total</u>	<u>11,901</u>

SUPPLEMENTARY FINANCIAL INFORMATION

SCHEDULE I

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2008

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Disbursements/ Expenditures</u>
Office of Justice Programs	16.541	91,304
Temporary Assistance for Needy Families (Pass-Through Funds)	93.558	<u>20,623</u>
<u>TOTAL</u>		<u>111,927</u>

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2008

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana and is presented on the accrual basis of accounting.

NOTE 2 - SUBRECIPIENTS

Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana did not provide federal awards to subrecipients.

SCHEDULE II

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
SCHEDULE OF BOARD MEMBERS COMPENSATION
FOR THE YEAR ENDED DECEMBER 31, 2008

No compensation was paid to any board member during the year under audit.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2008

SECTION I — SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- * Material weakness(es) identified? yes no
- * Control deficiency(s) identified that are
not considered to be material weaknesses? yes none reported

Noncompliance material to financial
statements noted? yes no

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
WEST MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

SECTION II — FINANCIAL STATEMENT FINDINGS

Internal Control

08-1

Criteria: The Organization should not operate with an operating deficit.

Condition: At December 31, 2008, the Organization is operating with a deficit.

Cause: Due to cash flow problems during the year, the Organization incurred an operating deficit at year end.

Questioned Costs: None

Context: Internal Controls

Effect: This finding has no effect on the financial statements.

Recommendation: Management should review expenditures and sources of revenue, and assist in operating with a balanced budget.

Reply: Management agrees with this finding and will review periodically to control the operating budget.

08-2

Criteria: As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting journal entries and to prepare the organization's annual financial statements. This condition is intentional by management based upon the organization's financial complexity, along with the cost effectiveness of acquiring the

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)

Internal Control (Continued)

08-2 (Continued)

Criteria: ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls.

Recently issued Statement on Auditing Standards (SAS) 112 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are adequately mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Condition: Proper internal controls under SAS 112 require management to prepare the organization's annual financial statements.

Cause: It is not cost effective for the organization to cure this control deficiency.

Questioned Costs: None

Context: Internal Controls

Effect: This finding has no effect on the financial statements.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

SECTION II -- FINANCIAL STATEMENT FINDINGS (Continued)

Internal Control (Continued)

08-2 (Continued)

Recommendation: As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 112's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports under SAS 112. In this case, we do not believe that curing the significant deficiency described above would be cost effective or practical and, accordingly, do not believe any corrective action is necessary.

Reply: Management agrees with this finding.

08-3

Criteria: Invoices should be paid timely each month.

Condition: Several invoices and payroll tax reports were not paid timely, resulting in interest and penalties, and the Organization is operating with a deficit.

Cause: Due to cash flow problems during the year, the Organization incurred substantial penalties and interest on vendor invoices and payroll taxes. In addition, the Organization incurred an operating deficit during the year.

Questioned Costs: None

Context: Internal Controls

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

SECTION II — FINANCIAL STATEMENT FINDINGS (Continued)

Internal Control (Continued)

08-3 (Continued)

Effect: This finding has no effect on the financial statements.

Recommendation: The Board of Directors should develop a plan to assist in funding the operating budget and ensuring vendor invoices and payroll taxes are paid timely.

Reply: Management agrees with this finding and will ensure vendor invoices and payroll liabilities are paid timely, and the Board of Directors will develop a plan to control the operating budget.

08-4

Criteria: The Organization needs to reconcile all bank accounts monthly and review and adjust outstanding items noted during such review.

Condition: It was noted at year end that there were bank accounts not reconciled to the general ledger.

Cause: Management does not have policies in place to verify that outstanding items on the bank account reconciliation are recorded correctly in the general ledger.

Questioned Costs: None

Context: Internal Controls

Effect: This finding has no effect on the financial statements.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2008

SECTION II — FINANCIAL STATEMENT FINDINGS (Continued)

Internal Control (Continued)

08-4 (Continued)

Recommendation: We recommend the Organization carefully maintain and review the monthly bank reconciliations, and compare the reconciliations to the general ledger.

Reply: The Organization will maintain and review all monthly bank reconciliations and record items as needed to the general ledger.

Compliance

08-5

Criteria: The audit report should be filed timely.

Condition: The Legislative Auditor requires the Organization to file their audited financial statements within six months of the Organization's year end.

Cause: Management was unable to gather the records necessary to perform an audit in a timely manner.

Questioned Costs: None

Context: Compliance

Effect: This finding has no effect on the financial statements.

Recommendation: We recommend management develop policies to ensure that all future audits are filed by the due date required by the Legislative Auditor.

Reply: Management agrees with this finding and will develop policies to ensure that all future audits are filed by the due date required by the Legislative Auditor.

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CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS
DECEMBER 31, 2008

07-1

Finding: The Organization was operating with an operating deficit.

Status: The Organization is still operating with an operating deficit

07-2

Finding: Proper internal controls under SAS 112 require management to prepare the Organization's annual financial statements.

Status: It is not cost effective for the Organization to cure this control deficiency, so this finding is uncleared.