

REPORT DIGEST

DEPARTMENT OF CORRECTIONS CORRECTIONAL INDUSTRIES FINANCIAL AUDIT FOR THE ONE YEAR ENDED JUNE 30, 1995

INTRODUCTION

This is the financial audit of the Correctional Industries, a component of the adult division of the Illinois Department of Corrections. Correctional Industries operates manufacturing, service and agricultural industries within the adult correctional centers.

Our audit was performed for the purpose of expressing an opinion on the financial statements of the Correctional Industries. A compliance audit will be performed later for the two years ending June 30, 1996.

AUDITORS' OPINION

Our auditors state that the June 30, 1995 financial statements for the Correctional Industries are fairly presented.

_____ WILLIAM G. HOLLAND, Auditor General

WGH:JHL:pp

SPECIAL ASSISTANT AUDITORS

Our special assistant auditors for this engagement were Sikich, Gardner & Co, LLP.

{Expenditures and Activity Measures are summarized on the reverse page.}

ILLINOIS DEPARTMENT OF CORRECTIONS
CORRECTIONAL INDUSTRIES
FINANCIAL AUDIT
FOR THE PERIOD ENDED JUNE 30, 1995

WORKING CAPITAL REVOLVING FUND			
OPERATING STATISTICS	FY 1995	FY 1994	FY 1993
●Net Sales	\$40,148,388	\$36,077,888	\$38,100,012
●Cost of Sales	<u>36,239,926</u>	<u>32,109,947</u>	<u>32,308,173</u>
●Gross Profit (Loss)	\$3,908,462	\$3,967,941	\$5,791,839
Selling, General and Administrative Expenditures	<u>4,459,178</u>	<u>5,243,001</u>	<u>4,636,081</u>
Operating Profit (Loss)	\$(550,716)	\$(1,275,060)	\$1,155,758
Other, Net	<u>16,318</u>	<u>(14,446)</u>	<u>21,926</u>
●Net Profit (Loss)	\$(534,398)	\$(1,289,506)	\$1,177,684
Beginning Retained Earnings	15,668,610	16,958,116	15,780,432
Transfers into General Revenue Fund	--	--	--
●Ending Retained Earnings	<u>\$15,134,212</u>	<u>\$15,668,610</u>	<u>\$16,958,116</u>
KEY BALANCE SHEET ACCOUNTS, AS OF JUNE 30,	1995	1994	1993
Accounts Receivable	\$7,077,526	\$6,771,143	\$6,251,243
Inventories	\$10,489,815	\$9,800,078	\$7,535,550
Property, Equipment and Livestock, Net of Depreciation	\$8,428,802	\$8,564,276	\$7,837,748

CORRECTIONAL INDUSTRIES' CHIEF ADMINISTRATIVE OFFICER

During Audit Period: Ronald L. Parish
Currently: Ronald L. Parish