

SOUTHERN HILLS BUSINESS ASSOCIATION, INC.

Shreveport, Louisiana

FINANCIAL STATEMENTS

December 31, 2021

Marsha O. Millican
A Professional Accounting Corporation
Shreveport, Louisiana

SOUTHERN HILLS BUSINESS ASSOCIATION, INC.

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Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

To the Board of Directors
Southern Hills Business Association, Inc.
Shreveport, Louisiana

Management is responsible for the accompanying financial statements of Southern Hills Business Association, Inc. (a non-profit corporation), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required performing any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information contained on page 6 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to my compilation engagement; however, I have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Certified Public Accountant
September 2, 2022

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SOUTHERN HILLS BUSINESS ASSOCIATION, INC.

Statement of Financial Position

December 31, 2021

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 27,246
Accounts Receivable	<u>-</u>
Total Current Assets	27,246
PROPERTY AND EQUIPMENT	
	<u>-</u>
Total Assets	<u><u>\$ 27,246</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable and Accrued Liabilities	<u>\$ 497</u>
Total Current Liabilities	497
Net Assets:	
Without donor restrictions	26,749
With donor restrictions	<u>-</u>
Total Net Assets	<u>26,749</u>
Total Liabilities and Net Assets	<u><u>\$ 27,246</u></u>

See accountant's compilation report.

SOUTHERN HILLS BUSINESS ASSOCIATION, INC.

Statement of Activities and Changes in Net Assets

For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:			
Support:			
In-kind Rent	\$ 15,000	\$ -	\$ 15,000
Total Support	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Revenues:			
Conference Center Revenue	29,973		29,973
Grants	-	38,005	38,005
Membership Dues	18,395		18,395
Special Events	19,340		19,340
Miscellaneous	1,734	-	1,734
Total Revenues	<u>69,442</u>	<u>38,005</u>	<u>107,447</u>
Total Support and Revenue	<u>84,442</u>	<u>38,005</u>	<u>122,447</u>
Net Assets Released from Restrictions:			
Satisfaction of Usage Restrictions	38,005	(38,005)	-
Total Support and Revenues	<u>122,447</u>	<u>-</u>	<u>122,447</u>
Program Expenses	83,396	-	83,396
Management and General	14,719	-	14,719
Total Expenses	<u>98,115</u>	<u>-</u>	<u>98,115</u>
Change in Net Assets	24,332	-	24,332
Net assets, beginning of year	<u>2,417</u>	<u>-</u>	<u>2,417</u>
Net assets, end of year	<u>\$ 26,749</u>	<u>\$ -</u>	<u>\$ 26,749</u>

See accountant's compilation report.

SOUTHERN HILLS BUSINESS ASSOCIATION, INC.

Statement of Functional Expenses

For the Year Ended December 31, 2021

	<u>Business Promotion</u>	<u>Management and General</u>	<u>Total</u>
Salaries and benefits	\$ 8,687	\$ 5,791	\$ 14,478
Education and awareness	-	-	-
Occupancy	24,649	3,659	28,308
Professional services	19,080	-	19,080
Printing	810	-	810
Information technologies	4,662	-	4,662
Supplies	20,341	2,964	23,305
Depreciation		68	68
Special Events	439	-	439
Other	4,728	2,237	6,965
	<u>\$ 83,396</u>	<u>\$ 14,719</u>	<u>\$ 98,115</u>

See accountant's compilation report.

SOUTHERN HILLS BUSINESS ASSOCIATION, INC.

Statement of Cash Flows

For the Year Ended December 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 24,332
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	68
Changes in net assets and liabilities:	
Decrease in accounts receivable	-
Decrease in accounts payable and accrued expenses	<u>(733)</u>
Net cash provided by operating activities	<u>23,667</u>
CASH FLOWS USED BY INVESTING ACTIVITIES	
Purchase of fixed assets	<u>-</u>
Net cash used by financing activities	<u>-</u>
Net increase in cash	23,667
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>3,579</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 27,246</u></u>

See accountant's compilation report.

SOUTHERN HLLS BUSINESS ASSOCIATION, INC.

Schedule of Compensation, Reimbursements, Benefits, and Other Payments
to Agency Head

For the Year Ended December 31, 2021

There was no compensation paid to Cynthia Robertson, Board President.

SOUTHERN HILLS BUSINESS ASSOCIATION, INC.

Schedule of Findings

For the Year Ended December 31, 2021

Finding # 2021 - 1

Criteria:

Louisiana R. S. 24:513 requires the Association to file financial statements with the Louisiana Legislative Auditor no later than six months after the year end.

Condition:

The Association did not file financial statements within six months after the year end.

Cause:

The Association updated the computer system during the year ended December 31, 2021. Although the Association furnished the year end information to the independent accountant on a timely basis, corrections needed to be made for the update to be accurate. The independent accountant did not begin the compilation in time to make the corrections and file the financial statements with the Louisiana Legislative Auditor within the time frame required by state law.

Effect: The Association was not in compliance with R.S. 24:513.

Recommendation: I recommend the Association comply with R.S. 24:513.

Management's Response and Corrective Action Plan:

Management agrees with this finding, but believes that this occurrence was beyond their control. Future fillings will be made on a timely basis.