



**SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAUX, LOUISIANA**

Financial Report

(With Accountant's Compilation Report Thereon)

Year Ended December 31, 1966

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

Business Date DEC 29 1967

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
BIBBODOUX, LOUISIANA
Financial Report
Year Ended December 31, 1995

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— CERTIFIED PUBLIC ACCOUNTANTS —
A PROFESSIONAL CORPORATION

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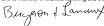
To the Board of Directors
South Louisiana Economic Council, Inc.
Thibodaux, Louisiana

We have compiled the accompanying statement of financial position of the South Louisiana Economic Council (a not-for-profit corporation) as of December 31, 1996 and the related statements of unrestricted support, revenues and expenses and other changes in unrestricted net assets and cash flows for the year then ended, and the accompanying supplementary information contained in Schedule 1, which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary schedule and, accordingly, do not express any opinion or any other form of assurance on them.

As discussed in Note 3 to the financial statements, the Council changed its method of recognition of contributions and its methods of financial reporting and financial statement presentation in 1996.

June 16, 1997



SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
 THIBODAUX, LOUISIANA
 Statement of Financial Position
 December 31, 1996
 (See Accountant's Compilation Report)

ASSETS

CURRENT ASSETS

Cash	\$ 61,000	
Prepaid auto lease	4,623	
Prepaid printing	<u>3,750</u>	
Total current assets		\$ 70,399

PROPERTY AND EQUIPMENT

Office furniture and equipment	64,351	
Leasehold improvements	<u>1,700</u>	
Total property and equipment	66,051	
Less accumulated depreciation	<u>(25,632)</u>	
Net property and equipment		30,419

OTHER ASSETS

Deposits	<u>600</u>	
Total assets		<u>\$ 101,203</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts and payroll taxes payable	<u>\$ 2,941</u>	
Total current liabilities		\$ 2,941

UNRESTRICTED NET ASSETS

	<u>98,452</u>	
Total liabilities and net assets		<u>\$ 101,203</u>

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
TYNOCMAUC, LOUISIANA
 Statement of Unrestricted Support, Revenues,
 Expenses and Other Changes in Unrestricted Net Assets
 Year Ended December 31, 1995
 (See Accountant's Compilation Report)

UNRESTRICTED SUPPORT AND REVENUES:

Governmental grants	\$ 80,000	
Private donations	63,000	
Seminar and conference sponsorship revenues	29,066	
Use of contributed facility	9,100	
Interest income	<u>2,599</u>	
Total unrestricted support and revenues		\$ 183,765

OPERATING EXPENSES:

Economic development expenses	180,362	
General and administrative expenses	<u>29,225</u>	
Total operating expenses		<u>209,587</u>
Decrease in unrestricted net assets		(46,902)

UNRESTRICTED NET ASSETS:

Beginning of year	<u>145,364</u>	
End of year		<u>\$ 98,462</u>

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
 THIBODAUX, LOUISIANA
 Statement of Cash Flows
 Year Ended December 31, 1985
 (See Accountant's Compilation Report)

CASH FLOWS FROM OPERATING ACTIVITIES

Decrease in unrestricted net assets		\$ (48,907)
Adjustments to reconcile to net cash flows from operating activities:		
Depreciation	\$ 10,988	
Decrease in prepaid auto lease	6,172	
Increase in prepaid printing	(3,750)	
Decrease in accounts and payroll taxes payable	<u>(2,285)</u>	
Total adjustments		<u>11,104</u>
Cash flows from operating activities		(35,760)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment		<u>(13,210)</u>
Cash flows from investing activities		<u>(13,210)</u>
Net decrease in cash		(48,906)
Cash at beginning of year		<u>111,004</u>
Cash at end of year		<u>\$ 61,998</u>

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
TERREBOUX, LOUISIANA

Notes to Financial Statements

(See Accountant's Compilation Report)

Note 1) NATURE OF ACTIVITIES

The South Louisiana Economic Council, Inc. (the Council), a non-profit corporation, was organized on March 10, 1984, to encourage economic development in the three parish area of Lafourche, St. Mary and Terrebonne. The objective of the Council is to spur economic growth by encouraging existing local industry to expand and to attract industry from out-of-state to locate in the region. The Council is supported primarily through unrestricted grants from the local governments within the three-parish area it serves and by unrestricted support received from local private industry. Governmental grants comprised approximately 40% of total unrestricted revenue and support for the year ended December 31, 1985.

The Council reports gifts of cash and other assets as restricted support if they are received with donor imposed stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. Contributions, grants and awards received to support current year activities are reported as unrestricted support.

Note 2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies:

- a) Basis of Accounting The Council uses the accrual basis of accounting for revenues and expenses.
- b) Property and Equipment Property and equipment are recorded at historical cost and are depreciated using the straight-line and declining balance methods over their estimated useful lives as follows:

Office equipment	3 - 7 years
Leasehold improvements	10 years
Automobile	5 years

**SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODIAUX, LOUISIANA**

Notes to Financial Statements, Continued

(See Accountant's Compilation Report)

Expenditures for renewals and betterments are capitalized and expenditures for ordinary maintenance and repairs are expensed as incurred. The cost and accumulated depreciation applicable to assets sold or sold, if any, are removed from the respective accounts and gains or losses thereon are included in operations.

Depreciation expense was \$10,068 for the year ended December 31, 1995, all of which was charged to operations.

- c) Accumulated Vacation and Sick Leave. Vacation and sick leave do not carryover to future years. Vacation and sick leave earned and available are insignificant to the financial statements.
- d) Income Taxes. The Council is a non-profit organization and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Therefore, no provisions for income taxes have been made.
- e) Cash Equiv. For purposes of the statements of cash flows, short-term investments having original maturities of three months or less when purchased are considered to be cash equivalents. The Council did not have any cash equivalents at December 31, 1995.
- f) 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 these estimates.

Note 2) ADOPTION OF NEW ACCOUNTING STANDARDS

For the year ended December 31, 1995, South Louisiana Economic Council adopted Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made." In accordance with SFAS No. 116, contributions and grants received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence or nature of any donor or grantor restrictions. The adoption of this accounting standard did not have a material impact on the Council's financial statement for the year ended December 31, 1995. During 1995, the Council did not receive any restricted contributions.

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
IBDOOMUX, LOUISIANA

Notes to Financial Statements, Continued

(See Accountant's Compilation Report)

The Council also adopted SFAS No. 117, "Financial Statements of Not-for-Profit Organizations," for the year ended December 31, 1990. Under SFAS No. 117, the Council is required to report information regarding its activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At December 31, 1990, the Council had no temporarily restricted net assets or permanently restricted net assets.

Note 4) FUNDING

The Council receives funding primarily through grants from local governments and corporations, and from corporate and governmental sponsorships for economic development and training seminars hosted by the Council.

Grants were received from the following governmental sources during the year:

Governmental grants:

Terrebonne Parish Consolidated Government	\$ 20,000
St. Mary Parish	25,000
Lafourche Parish	25,000
Greater Lafourche Port Commission	5,000
Total governmental grants	<u>\$ 75,000</u>

Note 5) ALLOCATION OF EXPENSES

The cost of providing various activities have been summarized on a functional basis in the statement of support, revenues, expenses and changes in fund balance. Accordingly, certain costs have been allocated among the programs and activities benefited.

**SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
THIBODAUX, LOUISIANA**

Notes to Financial Statements, Continued

(See Accountant's Compilation Report)

Note 6) CONTRIBUTED FACILITY

The Council received an in-kind contribution, estimated by management to amount to approximately \$9,900 annually, for office space rentals during the year from Nicholls State University at no cost to the Council. The estimated fair value of this facility is reported as unrestricted support (and expense in the period in which the facility was used).

Note 7) SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

The Council paid no interest expense or income taxes for the year ended December 31, 1995.

Note 8) LEASED VEHICLE

The Council leased a vehicle under a non-cancelable two-year operating lease on October 10, 1995. The Council paid 100% of the cost of the lease in advance. The portion of lease cost related to the current year is charged to operations and the portion of the lease cost applicable to future periods is included on the balance sheet.

Note 9) PREPAID PRINTING

During year ended December 31, 1995, the Council purchased prepaid specialized printing services from the South Central Planning Commission. As services are rendered to the Council the prepaid amount is credited. The original amount of the contract was \$5,000, the balance at December 31, 1995 is \$3,750.

Note 10) ECONOMIC DEPENDENCE

The Council receives a substantial portion of its funding from a limited number of sources. Should one or more of these sources withdraw funding, the Council would not be able to sustain operations as it is presently structured.

SUPPLEMENTARY INFORMATION

SOUTH LOUISIANA ECONOMIC COUNCIL, INC.
MONROE, LOUISIANA

Schedule of Expenses

Year Ended (December 31, 1966)

(See Accountant's Compilation Report)

	Economic Development	General and Administration	Total
Automobile expenses	\$ 6,206	\$ 208	\$ 6,414
Bank charges	-	43	43
Depreciation	8,600	2,362	10,962
Dues and subscriptions	1,790	445	2,235
Insurance	3,831	9,015	13,046
Meeting expense	5,038	20	5,058
Miscellaneous	236	402	638
Office expense	5,554	9,429	14,983
Personnel services	54,328	42,508	96,836
Postage	640	3,015	3,655
Professional fees	1,739	3,140	4,879
Rent expense for contributed facility	4,954	4,100	9,054
Seminar/conference sponsorship	30,000	-	30,000
Teletext production and advertising	9,320	299	9,619
Telephone	3,742	2,936	6,678
Travel	1,550	-	1,550
Training programs	15,224	402	15,626
Allocated overhead	8,511	(8,511)	-
Total expenses	\$ 160,352	\$ 70,335	\$ 230,687

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Management and Board of Directors
of the South Louisiana Economic Council

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of South Louisiana Economic Council and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the South Louisiana Economic Council's compliance with certain laws and regulations during the year ended December 31, 1998 included in the Louisiana Abatement Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Requirements of Funding Entities

1. Obtain from management copies of all funding agreements.

There were no written funding agreements. According to management, all funding agreements with local governments are verbal. Management represents that there were no specific requirements attached to the receipt of funds from local governments.

2. Determine requirements of those entities with respect to expenditure of funds provided.

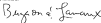
According to management, the verbal funding agreements with local governments generally provide that the granted funds are granted to the Council for purposes of fostering economic growth and coordinating regional business development/marketing efforts. The Council has complied with funding entity requirements as to the expenditure of funds provided by virtue of its operations.

3. We randomly selected six (6) transactions to verify compliance with the funding entities' requirements.

All disbursements tested applied to the general operations of the Council, which is the purpose for which the funds were granted to the Council. None of the disbursements selected were disbursed for purposes other than that of the Council's normal operations of fostering economic growth and coordinating regional business development/marketing efforts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management and the Board of Directors of the South Louisiana Economic Council and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



June 16, 1997