

**INDUSTRIAL DEVELOPMENT BOARD  
OF THE PARISH OF CALIBISSE, INC.  
Columbia, Louisiana**

**Financial Statements  
With Independent Auditor's Report  
As of and for the Two Years Ended  
December 31, 1996**

INDUSTRIAL DEVELOPMENT BOARD  
OF THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana

Financial Statements  
With Independent Auditor's Report  
As of and for the Two Years Ended  
December 31, 1995

CONTENTS

	Statement	Page No.
<b>Independent Auditor's Report</b>		2
<b>Financial Statements:</b>		
Combined Balance Sheet - December 31, 1995 - All Fund Types and Account Groups	A	4
Governmental Fund Type - General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances, By Years	B	5
Notes to the Financial Statements		6
<b>Independent Auditor's Reports Required by Government Auditing Standards:</b>		
Report on Compliance with Laws, Regulations, and Grants		12
Report on Internal Control Structure		15



## Independent Auditor's Report

**BOARD OF DIRECTORS  
INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana**

I have audited the accompanying financial statements of the Industrial Development Board of the Parish of Caldwell, Inc., as of December 31, 1995, and for each of the years in the two year period then ended, as listed in the table of contents. These financial statements are the responsibility of the board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Industrial Development Board of the Parish of Caldwell, Inc., as of December 31, 1995, and the results of its operations for each of the years in the two year period then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated May 24, 1996, on my consideration of the Industrial Development Board of the Parish of Caldwell, Inc.'s internal control structure and a report dated May 24, 1996, on the board's compliance with laws, regulations, and grants.

  
West Monroe, Louisiana  
May 24, 1996

**VERNON COON**  
MEMBER AUDITOR  
CERTIFIED AS INDEPENDENT  
PUBLIC ACCOUNTANT

**BOARD OF DIRECTORS  
INDUSTRIAL DEVELOPMENT  
BOARD OF**

**INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
COLUMBIA, LOUISIANA  
ACCOUNTING, TAXATION  
AND FINANCIAL SERVICES**

**THE PROFESSIONAL BOARD,  
NEW ORLEANS,  
LOUISIANA 70114  
PHONE 504.581.4141  
TELETYPE 504.581.4141  
FAX 504.581.4141  
WWW.PBAUDITORS.COM**

## FINANCIAL STATEMENTS

INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS

Statement A

Continued Balance Sheet, December 31, 1999

	- ACCOUNT GROUPS -		TOTAL (DEPARTMENTAL FUNDS)
	GOVERNMENTAL FUND TYPE - GENERAL FUND	GENERAL FUND ASSETS	
<b>ASSETS</b>			
Cash	\$69,840		\$69,840
Receivable - grant from Police Jury	25,142		25,142
Land and equipment		\$14,648	14,648
Amount to be provided for retirement of general long-term debt			110,000
		<u>\$10,000</u>	<u>110,000</u>
<b>TOTAL ASSETS</b>	<u>\$104,982</u>	<u>\$14,648</u>	<u>\$129,630</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities:</b>			
Accounts payable	\$2,129		\$2,129
Notes payable			81,000
<b>Total Liabilities</b>	<u>2,129</u>	<u>NONE</u>	<u>83,129</u>
<b>Fund Equity:</b>			
Investment in general fixed assets		\$14,648	14,648
Fund balance - unreserved - undesignated	<u>102,853</u>		<u>102,853</u>
<b>Total Fund Equity</b>	<u>102,853</u>	<u>14,648</u>	<u>117,501</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$104,982</u>	<u>\$14,648</u>	<u>\$129,630</u>

The accompanying notes are an integral part of this statement.

**INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.**  
Columbia, Louisiana  
**GOVERNMENTAL FUND TYPE - GENERAL FUND**

Statement B

Statement of Revenues, Expenditures,  
and Changes in Fund Balances, By Years  
For the Two Years Ended December 31, 1995

	<u>1995</u>	<u>1994</u>
<b>REVENUES</b>		
Intergovernmental revenue - grant from Police Jury	549,533	550,533
Use of money and property - interest earnings	1,790	1,321
Other revenues	<u>76</u>	<u>51,382</u>
Total revenues	<u>551,399</u>	<u>105,476</u>
<b>EXPENDITURES</b>		
Industrial development:		
Current:		
Personal services	16,762	16,762
Operating services	12,777	16,055
Materials and supplies	175	0,624
Other	8,657	92,278
Debt service	37,099	5,000
Capital outlay		<u>60,648</u>
Total expenditures	<u>75,620</u>	<u>157,387</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(24,531)</u>	<u>(148,911)</u>
<b>OTHER FINANCING SOURCES</b>		
Sale of land	46,500	
Increase in notes payable		50,000
Total other financing sources	<u>46,500</u>	<u>50,000</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES</b>	21,969	(18,911)
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>83,885</u>	<u>93,796</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$102,893</u>	<u>\$80,885</u>

The accompanying notes are an integral part of this statement.

**INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.**  
Columbia, Louisiana

Notes to the Financial Statements  
As of and for the Two Years Ended December 31, 1995

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Industrial Development Board of the Parish of Caldwell, Inc., is a nonprofit corporation chartered in Columbia, Louisiana, and organized under the provisions of Louisiana Revised Statutes (LSA-RS 51:1151-1165). The board is governed by a thirteen member board of directors, elected by the Caldwell Parish Police Jury. Board members serve without compensation. As provided by LSA-RS 51:1152, the corporation was created for the purpose of promoting the health, welfare and safety of the citizens of the parish by reducing, controlling, abating and preventing environmental pollution and promoting the economic development and stability of the parish by securing and retaining private industrial, commercial and other enterprises resulting in higher employment.

**A. FUND ACCOUNTING**

The Industrial Development Board of the Parish of Caldwell, Inc., uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fund assets and general long-term debt) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for an agency's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The board's present operations require the use of only a governmental fund (General Fund) only. All financial operations of the board are accounted for in this fund.

**INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.**

Columbia, Louisiana

Notes to the Financial Statements (Continued)

**B. BASIS OF ACCOUNTING**

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The board uses the following practices in recognizing and reporting revenues and expenditures:

**Revenues**

Intergovernmental revenues, such as grants from the parish police jury, are recorded when the board is entitled to the funds.

Interest income on bank deposits is recorded when the interest has been earned and the amount is determinable.

Other revenues, such as public donations, are recognized when received.

Based on the above criteria, intergovernmental revenues have been treated as susceptible to accrual.

**Expenditures**

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.



**Other Financing Sources**

Other financing sources such as the sale of land and increases in notes payable are recognized when the underlying events have occurred.

**C. GENERAL FIXED ASSETS  
AND LONG-TERM DEBT**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures (capital outlay) in the General Fund and the related assets are reported in the general fixed assets account group. All purchased fixed assets are recorded at actual cost. No depreciation has been provided on general fixed assets. Long-term debt (notes payable) is recorded in the long-term debt account group. Expenditures for principal and interest payments for long-term debt are recognized in the General Fund when due.

**D. CASH**

At December 31, 1995, the board has cash demand deposits (bank balances) totaling \$69,840. These deposits are stated at cost, which approximates market. Deposit balances (bank balances) at December 31, 1995, total \$69,840, and are fully secured by federal deposit insurance.

**K. TOTAL COLUMN ON THE  
COMBINED BALANCE SHEET**

The total column on the combined balance sheet is captioned Memorandum Only (overview) to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

1. FIXED ASSETS

The following presents changes in general fixed assets for the two years ended December 31, 1995:

	<u>Land</u>	<u>Equipment</u>	<u>Total</u>
Balance, January 1, 1994	\$27,600	NONE	\$27,600
Additions:			
For the year ended December 31, 1994	60,000	648	60,648
For the year ended December 31, 1995	NONE	NONE	NONE
Retirements:			
For the year ended December 31, 1994	NONE	NONE	NONE
For the year ended December 31, 1995	<u>(73,600)</u>	<u>50,000</u>	<u>(73,600)</u>
Balance, December 31, 1995	<u>\$14,000</u>	<u>548</u>	<u>\$14,548</u>

2. CHANGES IN LONG-TERM DEBT

During 1993, the board entered into an agreement with the Louisiana Art and Folk Festival for the use of a building. The board obtained funding for the renovation of the building and it became the Schupis Museum. As a condition of the agreement, the Louisiana Art and Folk Festival donated the renovated Schupis Museum to the Schupis Foundation which is responsible for maintaining and operating the museum. In consideration for the agreement with the Louisiana Art and Folk Festival, the board agreed to pay to the Louisiana Art and Folk Festival a total of \$40,000 to be paid in one payment of \$20,000 plus four annual payments of \$5,000 each beginning in 1994.

On March 16, 1994, the board purchased property in the amount of \$40,000 to be paid in one payment of \$10,000 plus the remaining principal and accrued interest at the rate of 6 percent to be paid on March 16, 1995.

The following is a summary of long-term debt transactions for the two years ended December 31, 1995:

INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

	Notes Payable - In. Acc and Post Journal	Notes Payable - S&O Let	Total
Notes payable at January 1, 1994	\$20,000	NONE	\$20,000
Adjustments:			
For the year ended December 31, 1994		\$20,000	\$0,000
For the year ended December 31, 1995	NONE	NONE	
Reductions:			
For the year ended December 31, 1994	(5,000)		(5,000)
For the year ended December 31, 1995	<u>(5,000)</u>	<u>(20,000)</u>	<u>(25,000)</u>
Notes payable at December 31, 1995	<u>\$10,000</u>	<u>NONE</u>	<u>\$10,000</u>

The annual requirements to amortize the notes payable at December 31, 1995, are as follows:

Year	
1996	\$5,000
1997	<u>5,000</u>
Total	<u>\$10,000</u>

#### 4. LITIGATION AND CLAIMS

The Board is not involved in any litigation at December 31, 1995, nor is it aware of any unasserted claims.

#### 5. INCOME TAX STATUS

The Industrial Development Board of the Parish of Caldwell, Inc., operates as a non-profit organization under Section 501 (c) (3) of the Internal Revenue Code, however, the board has not applied for tax recognition with the Internal Revenue Service. No provision for income taxes has been made in the accompanying financial statements.

**Independent Auditor's Reports Required by  
Government Auditing Standards**

The following independent auditor's reports on compliance with laws, regulations, and grants and on the internal control structure are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



**Independent Auditor's Report on Compliance  
With Laws, Regulations, and Grants**

**BOARD OF DIRECTORS  
INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana**

I have audited the financial statements of the Industrial Development Board of the Parish of Caldwell, Inc., as of December 31, 1995 and for each of the years in the two-year period then ended, and have issued my report thereon dated May 24, 1996.

I conducted my audit in accordance with generally accepted auditing standards; *Governor Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, and contracts applicable to the Industrial Development Board of the Parish of Caldwell, Inc., is the responsibility of the board's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Industrial Development Board of the Parish of Caldwell, Inc.'s, compliance with certain provisions of laws, regulations, and contracts. However, the objective of my audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests of compliance disclosed the following instances of non-compliance that is required to be reported herein under *Governor Auditing Standards* for which the ultimate resolution cannot presently be determined. Accordingly, no provision for any liability that may result has been recognized in the Industrial Development Board of the Parish of Caldwell, Inc.'s 1995 financial statements.

ROBERT J. JACOBSON  
MEMBER OF REGISTERED  
PUBLIC ACCOUNTANTS

SOCIETY OF ACCOUNTANTS  
CERTIFIED PUBLIC  
ACCOUNTANTS

REGISTERED LICENSEE IN  
LOUISIANA  
MEMBER OF THE SOCIETY OF  
REGISTERED ACCOUNTANTS  
AND FINANCIAL MANAGERS

170 PROFESSIONAL BLDG.  
SUITE 2000  
MONROE, LOUISIANA 70001  
PHONE: (504) 235-1111  
TELE FAX: (504) 235-1111  
FACSIMILE: (504) 235-1111  
E-MAIL: RJJ@MONROE.COM

BOARD OF DIRECTORS  
INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana

Independent Auditor's Report on  
Compliance With Laws, Regulations, and Grants, etc.

**Need To Apply for Internal Revenue  
Service Recognition as a  
Non-Profit Corporation and  
File Annual Information Returns**

**Findings:** As reported in the audit report for the year ended December 31, 1993, the corporation has not applied for recognition from the Internal Revenue Service as a tax-exempt non-profit corporation. The board was advised by legal counsel that it was not necessary to file for exemption with the Internal Revenue Service because the corporation was registered with the Louisiana Secretary of State's Office as a non-profit corporation. In order to be exempt from federal income taxes, non-profit organizations must file an application for recognition of exemption with the Internal Revenue Service. Failure to obtain such recognition from the Internal Revenue Service unnecessarily subjects the corporation to federal income taxes. In addition, Code Section 6032 (g) (3) of the Internal Revenue Code requires exempt organizations to file an annual information return with the Internal Revenue Service. The board has not filed this return for the years ended December 31, 1993, 1994 and 1995.

**Recommendation:** The board should immediately file Form 1024, Application for Recognition of Exemption Under Section 501 (c) of the Internal Revenue Code, in order to be recognized as an exempt organization by the Internal Revenue Service. For all future years, the board should file Form 990, Return of Organization Exempt From Income Tax with the Internal Revenue Service on an annual basis.

**Management's Response:** The board of directors have authorized the hiring of a certified public accountant to file the necessary forms to gain recognition as a tax-exempt organization by the Internal Revenue Service. Additionally, the board will begin filing an annual information return with the Internal Revenue Service beginning with the year ending 1996.

I considered the above instances of non-compliance in forming my opinion on whether the Industrial Development Board of the Parish of Caldwell, Inc.'s, 1995 financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect my report dated May 24, 1996, on those financial statements.

BOARD OF DIRECTORS  
INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana

Independent Auditor's Report on  
Compliance With Laws, Regulations, and Grants, etc.

This report is intended for the use of the board of directors and management of the Industrial Development Board of the Parish of Caldwell, Inc. This is not intended to limit the distribution of this report, which is a matter of public record.



W. H. Moore, Louisiana

May 24, 1999



**Independent Auditor's Report  
on the Internal Control Structure**

**VERNON COON**  
INDEPENDENT MEMBER  
PUBLIC ACCOUNTANTS

**MEMBER OF ASSOCIATION  
CERTIFIED PUBLIC  
ACCOUNTANTS**

**MEMBER OF SOCIETY OF  
CHARTERED ACCOUNTANTS**

**MEMBER OF SOCIETY OF  
ACCOUNTS AND FINANCIAL REPORTING**

**BOARD OF DIRECTORS  
INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana**

I have audited the financial statements of the Industrial Development Board of the Parish of Caldwell, Inc., as of December 31, 1996, and for each of the years in the two year period then ended, and have issued my report thereon dated May 24, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Industrial Development Board of the Parish of Caldwell, Inc., is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

**THE PROFESSIONAL SEAL  
OF THE STATE OF  
LOUISIANA  
MEMBER OF SOCIETY OF  
CHARTERED ACCOUNTANTS  
1996-2001 TERM  
OFFICE OF THE SECRETARY**



BOARD OF DIRECTORS  
INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana

Independent Auditor's Report  
on the Internal Control Structure, etc.

In planning and performing my audit of the financial statements of the Industrial Development Board of the Parish of Caldwell, Inc., for the two years ended December 31, 1995, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the board's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

All accounting functions of the board, i.e., depositing and posting receipts and preparing, posting and issuing checks are performed by one individual. Such functions are not compatible and should be performed by separate individuals. However, because of the size of the board and its limited resources, it is not economically feasible to correct this deficiency.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses as defined above. However, I do not consider the reportable condition described above to be a material weakness.

BOARD OF DIRECTORS  
INDUSTRIAL DEVELOPMENT BOARD OF  
THE PARISH OF CALDWELL, INC.  
Columbia, Louisiana  
Independent Auditor's Report  
on the Internal Control Structure, etc.

This report is intended for the information of the board of directors and management of the Industrial Development Board of the Parish of Caldwell, Inc. This is not intended to limit the distribution of this report, which is a matter of public record.

  
West Monroe, Louisiana  
May 24, 1986