

STATE FAIR OF LOUISIANA

NOTES TO FINANCIAL STATEMENTS

NOVEMBER 30, 1988 AND 1987

The State Fair of Louisiana is a nonprofit corporation organized under the laws of the State of Louisiana on a nonstock basis having one class of member. The objects and purposes for which this nonprofit corporation is formed and exists are declared to be:

The maintenance in the Parish of Cadeo, State of Louisiana, of public fairs, expositions and exhibitions of stock and farm products, and for the encouragement of agricultural and horticultural pursuits, and in all ways to promote the various industries of the State of Louisiana and the welfare of its citizens.

The State Fair of Louisiana is exempt from federal income tax under provisions of Section 501(c)(19) of the Internal Revenue Code of 1954 and exempt from state income tax under appropriate provisions in the laws of the State of Louisiana.

Note 1. Summary of significant accounting policies.

Buildings and equipment are carried at cost and depreciated over the estimated useful life on the straight-line method. Major additions are capitalized and depreciated; maintenance and repairs which do not improve or extend the life of the respective assets are expensed as incurred. Contributions in aid of construction are credited to contribution accounts and do not reduce the cost of the assets acquired with such contributions. Contribution accounts are charged with the depreciation on such assets.

The corporation has a noncontributory pension plan covering all eligible employees. Pension expense is accrued in accordance with an actuarial cost method and it is the corporation's policy to fund pension cost accrued. Prior service costs under the plan are being funded over a ten year period.

As provided by contract with the City of Shreveport, one-half of the net earnings of State Fair of Louisiana shall be set aside permanently as a sinking fund. This allocation is to continue until the sinking fund shall equal \$700,000. Any sums transferred which raise the balance above this amount shall be transferred into the Building Fund.

For purposes of the statement of cash flows, the Fair considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Note 2. Property, plant and equipment.

Depreciation for financial reporting purposes is provided on the straight-line method based upon the estimated useful lives of the assets as follows: buildings, 15 to 60 years; land improvements, 18 to 25 years; equipment, 5 to 20 years.

The major classifications of fixed assets were as follows:

	<u>1988</u>	<u>1987</u>
Land	28,908	28,908
Buildings	4,768,888	4,809,436
Land improvements	590,888	590,888
Equipment	2,144,284	2,144,284
	<u>8,032,968</u>	<u>8,173,516</u>
Less accumulated depreciation	2,965,602	2,798,526
	<u>5,067,366</u>	<u>5,374,990</u>

ENGAGEMENT APPROVAL

5.9.03

Dear Practitioner and Auditor:

Pursuant to your joint request and subject to the conditions listed on the reverse side of this form, I am approving the attached engagement agreement for the engagement period listed below.

Audit engagements must be performed in accordance with Government Auditing Standards and GAGAS Circular A-119 or A-133, where applicable, and they must comply with the provisions of the Louisiana Governmental Audit Guide.

Compilation and attestation engagements must be performed in accordance with the Louisiana Governmental Audit Guide and the American Institute of Certified Public Accountants' Statements on Standards for Accounting and Review Services and Statements on Standards for Attestation Engagements.

Louisiana Revised Statute 24:117 and Section 20800 of the Louisiana Governmental Audit Guide require all engagements to be completed and transmitted to the legislative auditor within six months of the close of the entity's fiscal year. Any noncompliance with these requirements shall be reported, together with a full explanation of the events leading to the noncompliance, in either the compliance report or management letter.

Immediately upon completion of the audit, nine copies of the report and any management letter (eight bound and one unbound—single-sided and not prepared for binding) must be submitted to my office.

Approved
Daniel C. Ryan, CPA
Legislative Auditor

By: Not Engaged

Approval Date: _____

Entity Name: <u>State, Gov. of Louisiana</u>
Approved Period: From: <u>12.01.87</u> To: <u>1.15.88</u> Multi-Year: <u>1 2 3 4</u>

Status: <u>C 1</u> Engagement Period Begin: <u>12.01.87</u> Engagement Period End: <u>1.15.88</u> Batch No: <u>507</u> Batch Date: <u>04.30.97</u> OIR: <u>472</u> Made Overdue: _____ (Blank or X) Engagement Package Issued Date: <u>99.99.99</u> Auditor's ID: <u>604</u> Auditor's Name: <u>B. Schler</u> Date Received: <u>99.99.99</u> (Field 1) Completion Date: <u>99.99.99</u> (Field 2)	Condition 4: <u>A</u> (A-Approved, B-Denied, F-Not Engaged, K-Admission/Refusal, N-Returned) Condition 5: _____ (Blank or 0) Override: _____ (Blank or 1) Page(s): _____ (Blank or 1) Type: <u>C</u> Billing: <u>B</u> Worktype: <u>B</u> Program: <u>18</u> Program Name: _____ Remarks: <u>ETA per Diana</u> Control Number: <u>22206452</u> Entered in LARS (Initial): <u>LR</u>
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<u>Mr. Sam Giordano</u> <u>President & General Manager</u> <u>State, Gov. of Louisiana</u> <u>P.O. Box 38387</u> <u>Shreveport, LA</u>	<u>Robertson, Katherine M. Howard</u> <u>666 Leavelle Street, Ste 800</u> <u>Shreveport, LA 71201-2078</u>
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STATE FAIR OF LOUISIANA
OUTSIDE GATE TICKET PRICES
FOR THE FAIRS OF 1926 THROUGH 1982

<u>Year</u>	<u>Adult</u>	<u>Auto</u>	<u>Child</u>
1988	4.00	3.00	1.00
1987	4.00	3.00	1.00
1986	3.00	3.00	1.00
1985	3.00	3.00	1.00
1984	3.00	3.00	1.00
1983	3.00	2.00	1.00
1982	2.00	2.00	1.00
1981	2.00	2.00	-
1980	2.00	1.00	-
1979	2.00	1.00	-
1978	2.00	1.00	-
1977	1.50	1.00	-
1976	1.50	1.00	-

STATE FAIR OF LOUISIANA

SCHEDULE OF ACTUAL AND BUDGETED REVENUES AND EXPENSES

FOR THE YEAR ENDED NOVEMBER 30, 1968

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under)</u>
Revenues:			
ENTRANCE to grounds	550,000	558,789	(8,717)
Coliseum attractions	10,000	4,324	5,676
Carnival shows and rides	550,000	568,189	(18,189)
Concessions	570,000	546,543	23,457
Commercial exhibit space	80,000	82,282	2,282
Interest	70,000	82,926	(12,926)
Entry fees and other	80,000	81,447	1,447
Off season activities	250,000	282,333	32,333
	<u>1,580,000</u>	<u>1,598,687</u>	<u>(18,313)</u>
Expenses:			
Advertising and publicity	76,000	76,466	466
Agriculture and livestock show	253,000	251,418	1,582
Attractions	144,000	151,468	7,468
Car and truck	3,000	3,456	456
Decorations and signs	10,000	11,078	1,078
News and subscriptions	3,000	3,372	372
Electricity, gas and water	80,000	86,723	6,723
Electricity and supplies	72,000	71,669	331
Fuel	5,000	4,468	532
Grounds expense	32,000	32,888	888
Insurance	185,000	180,488	4,512
Labor	148,000	168,372	20,372
Office supplies and expense	34,000	36,847	2,847
Outside sale expense	60,000	58,858	1,142
Postage	3,000	2,848	152
Professional fees-legal and audit	28,000	31,856	3,856
Public relations	8,200	8,828	628
Repairs and improvements	58,000	52,972	5,028
Retirement plan	25,000	28,862	3,862
Refuse disposal	8,000	8,272	272
Salaries	168,000	138,832	29,168
Security	75,000	62,683	12,317
Social Security taxes	68,000	68,812	812
Telephones	8,000	7,386	614
Travel and meetings	14,000	12,362	1,638
Wood carrying exhibit	3,000	3,914	914
Contingency	28,000	-	28,000
	<u>1,508,000</u>	<u>1,628,128</u>	<u>(120,128)</u>
Excess (Deficiency) of revenues over expenses before depreciation	<u>0</u>	<u>(168,441)</u>	<u>(168,441)</u>

STATE FAIR OF LOUISIANA

SCHEDULE OF REVENUES AND EXPENSES--OFF-SEASON ACTIVITIES

FOR THE YEARS ENDED NOVEMBER 30, 1980 AND 1987

	<u>1980</u>	<u>1987</u>
Revenues:		
Betting and grounds rental	100,876	345,818
Concessions	127,242	137,776
	<u>228,118</u>	<u>483,594</u>
Expenses:		
Accounting	3,321	2,919
Labor	85,659	103,280
Professional fees--accounting	6,250	6,310
Repairs and maintenance	6,757	16,683
Salaries	40,085	45,389
Supplies	6,757	10,484
Telephone	4,328	4,756
Travel and meetings	647	1,390
Utilities	25,442	26,087
Waste disposal	3,300	5,154
Garden lawn care	878	938
	<u>185,852</u>	<u>234,704</u>
Excess of revenues over expenses	<u>242,266</u>	<u>248,890</u>
Mid-winter livestock expo		
Revenues:		
Entry fees	9,483	9,317
Admission and concessions	20,260	26,270
Attractions	42,254	41,831
	<u>71,997</u>	<u>77,418</u>
Expenses:		
Premiums paid	23,727	25,023
Other expenses	25,244	26,284
	<u>48,971</u>	<u>51,307</u>
Excess of revenues over expenses	<u>23,026</u>	<u>26,111</u>

STATE FAIR OF LOUISIANA

SCHEDULE OF EXPENSES-FAIR

FOR THE YEARS ENDED NOVEMBER 30, 1968 AND 1967

	1968	1967	Increase (Decrease)
Advertising and publicity	75,405	78,662	543
Apiculture and livestock program:			
Prizes paid	65,818	68,482	5,136
Other expenses	145,800	146,953	(5,133)
Attractions	161,460	157,394	(5,066)
Car and truck	3,451	3,784	167
Decorations and signs	11,070	10,574	624
Debs and subscriptions	3,337	3,632	(295)
Electricity, gas and water	98,223	81,102	5,121
Electricians and supplies	31,588	37,518	(45,943)
Fuel	4,668	5,817	(1,945)
Grounds expense	32,408	34,276	(1,786)
Insurance	186,466	184,746	16,720
Labor	180,377	146,616	13,761
Office supplies and expense	16,947	13,883	2,754
Outside gate expense	59,259	62,089	(2,629)
Postage	2,848	3,289	(335)
Professional fees-legal and audit	31,066	25,534	6,482
Public relations	5,800	6,185	(232)
Repairs and improvements	17,955	62,723	(55,768)
Retirement plan	18,882	22,915	(3,753)
Refuse disposal	6,273	4,562	1,712
Salaries	138,932	143,448	(4,516)
Security	87,083	73,713	13,370
Social security funds	63,912	63,168	744
Telephone	7,768	8,303	(315)
Travel and meetings	12,942	14,876	(2,314)
Wood carving exhibit	1,214	-	1,214
Total	<u>1,473,178</u>	<u>1,468,075</u>	<u>(5,103)</u>

STATE FAIR OF LOUISIANA
SCHEDULE OF GROSS REVENUES-FAIR
FOR THE YEARS ENDED NOVEMBER 30, 1988 AND 1987

	<u>1988</u>	<u>1987</u>	Increase (Decrease)
<u>Admission to grounds:</u>			
Adults	248,808	252,083	(3,275)
Children	15,864	17,207	(1,343)
Adults	75,858	85,582	(9,724)
Advance sale	28,270	21,738	6,532
Exhibitors and other	28,232	29,529	(1,297)
Attractions	8,325	3,271	5,054
	<u>385,357</u>	<u>509,330</u>	(123,973)
<u>Attractions:</u>			
LMA Shows	3,148	4,481	(1,333)
Tractor Races	1,075	-	1,075
Mud Bogging Championship	160,168	218,117	(57,949)
Carriole shows and rides	144,133	222,888	(78,755)
	<u>248,524</u>	<u>445,486</u>	(196,962)
<u>Concessions</u>	246,555	272,798	(26,243)
Commercial exhibit space	12,280	33,952	(21,672)
<u>Other fair income:</u>			
Livestock and poultry fees	22,513	31,465	(8,952)
Horse show fees	15,087	18,927	(3,840)
Judging contest	2,924	-	2,924
Trailer park	11,588	11,894	(306)
Utility collections	13,834	15,842	(2,008)
Bally program ads	6,125	4,815	1,310
Other	188	5,873	(5,685)
	<u>81,359</u>	<u>88,816</u>	(7,457)
<u>Total gross revenues</u>	633,420	1,129,187	(495,767)
<u>Less-expenses</u>	<u>1,428,326</u>	<u>1,488,875</u>	(60,549)
<u>(Excess (deficiency) of revenues over expenses)</u>	<u>(794,906)</u>	<u>(359,688)</u>	(435,218)

HEARD, McELROY & VENTAL

FRANCIS B. HEARD, C.P.A.
R. McELROY, C.P.A.
WALTER S. VENTAL, C.P.A.
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CERTIFIED PUBLIC ACCOUNTANTS
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AMERICAN INSTITUTE
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January 10, 1968

The Board of Directors
State Fair of Louisiana
Shreveport, Louisiana

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying other financial information (Pages 10 through 14) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Heard, McElroy & Vental

OTHER FINANCIAL INFORMATION

Note 5. (Continued)

	<u>1988</u>	<u>1987</u>
Certificates of deposit-banking fund	700,000	700,000

Note 6. Litigation.

The only pending or threatened litigation affecting State Fair of Louisiana at the present time involve suits arising out of activities by lessees of fair facilities. The State Fair has adequate public liability insurance in the event of any loss as well as being named as additional insured under the insurance policies of the lessees.

STATE FUND OF LOUISIANA

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED NOVEMBER 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>Cash flows from operating activities:</u>		
Excess (deficiency) of revenues over expenses	(568,546)	(208,885)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	180,037	187,516
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(5,420)	22,799
(Increase) decrease in accrued interest	(1,374)	(8,051)
(Increase) in prepaid expenses	38,655	(8,384)
Increase (decrease) in liabilities	(146,609)	1 51,656)
Net cash used in operating activities	(146,609)	1 51,656)
<u>Cash flows from investing activities:</u>		
Expenditures for buildings, equipment and improvements	(181,840)	(28,552)
Net decrease in cash	(328,451)	(76,896)
Cash at beginning of the year	664,847	741,743
Cash at end of the year	<u>336,396</u>	<u>664,847</u>

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

STATE FAIR OF LOUISIANA
SHREVEPORT, LOUISIANA
REGISTERED FINANCIAL STATEMENTS

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STATE FAIR OF LOUISIANA

MONROE, LOUISIANA

NOVEMBER 30, 1966 AND NOVEMBER 30, 1967

ANNEXED FINANCIAL STATEMENTS

HEARD, McLENNAN & VENTAL

CERTIFIED PUBLIC ACCOUNTANTS
MEMBERS
OFFICE FOR S. P. A. FORM
AND
AMERICAN INSTITUTE
OF CERTIFIED PUBLIC ACCOUNTANTS

1000 P. O. BOX 1000
MONROE, LOUISIANA 70501

MEMBERSHIP, SOCIETY, 1968
NEW YORK, NEW YORK
NEW YORK, NEW YORK
NEW YORK, NEW YORK
NEW YORK, NEW YORK

1000 P. O. BOX 1000
MONROE, LOUISIANA 70501

January 13, 1969

The Board of Directors
State Fair of Louisiana
Shreveport, Louisiana

Independent Auditor's Report

We have audited the accompanying balance sheets of State Fair of Louisiana as of November 30, 1968 and 1967, and the related statements of revenues and expenses, changes in fund balances, and cash flows for the years 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 generally accepted auditing standards. These 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 audits provide 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 State Fair of Louisiana as of November 30, 1968 and 1967, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

Heard, McLeannan & Vental

STATE FAIR OF LOUISIANA

BALANCE SHEET

NOVEMBER 30, 1968 AND 1967

<u>ASSETS</u>	<u>1968</u>	<u>1967</u>
Cash and checking accounts	357,508	684,547
Certificates of deposit	280,800	250,000
Accounts receivable	36,750	30,838
Accrued interest receivable	1,889	1,368
Prepaid expenses	45,880	41,896
	<u>642,727</u>	<u>947,839</u>
Certificates of deposit-Sinking Fund-Note 5	200,000	200,000
Land, buildings and equipment-Note 2	6,533,634	6,170,525
Less-accumulated depreciation-Note 2	2,328,617	2,194,525
	<u>4,205,017</u>	<u>3,976,000</u>
Total assets	<u>4,848,744</u>	<u>5,220,839</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	124,787	142,806
Deposits on contracts	16,300	18,574
	<u>141,087</u>	<u>161,380</u>
Fund balances:		
State of Louisiana appropriations-Note 4	1,300,688	1,424,537
Net investment in property	2,167,568	2,155,463
Sinking Fund-Note 5	200,000	200,000
General Operating Fund	451,873	482,659
	<u>4,120,129</u>	<u>4,262,659</u>
Total liabilities and fund balances:	<u>4,261,216</u>	<u>4,220,839</u>

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

STATE FAIR OF LOUISIANA

STATEMENTS OF REVENUES AND EXPENSES

FOR THE YEARS ENDED NOVEMBER 30, 1980 AND 1981

	<u>1980</u>	<u>1981</u>	<u>Increase (Decrease)</u>
<u>Revenues:</u>			
Admission to grounds	582,180	621,899	(177,803)
Attractions	164,323	222,689	58,476)
Concessions	248,583	272,780	24,207)
Commercial exhibit space	32,282	23,052	770)
Entry fees	49,574	51,382	1,808)
Other income	31,858	37,864	6,006)
Interest earned	67,826	78,540	10,714)
Interest earned	457,629	483,882	26,253)
Off-season rentals	11,940	18,240	6,300)
Mid-winter livestock expo	1,808,172	1,760,787	(47,385)
<u>Expenses:</u>			
Advertising	76,400	76,862	462)
Attractions	151,869	157,294	(5,425)
Agriculture and livestock show	271,418	271,395	23)
General and administrative expense	830,276	862,336	(32,060)
Outside gates	56,759	62,088	5,329)
Off-season expenses	195,653	224,704	29,051)
Mid-winter livestock expo	61,272	67,317	6,045)
	<u>1,676,877</u>	<u>1,760,136</u>	<u>(83,259)</u>
Excess (deficiency) of revenues over expenses before depreciation	(169,439)	(9,349)	(160,090)
<u>Depreciation:</u>			
On assets acquired with own funds	147,236	161,673	(14,437)
On assets acquired with contributions	43,839	43,839	-
	<u>191,075</u>	<u>205,512</u>	<u>(14,437)</u>
Excess (deficiency) of revenues over expenses	<u>(360,514)</u>	<u>(208,861)</u>	<u>(151,653)</u>

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

STATE FAIR OF LOUISIANA

STATEMENTS OF CHANGES IN FUND BALANCES

FOR THE YEARS ENDED NOVEMBER 30, 1968 AND 1967

	Total	State Appropriations	Net Investment in Property	Sinking Fund	General Operating Fund
<u>Balance-November 30, 1968</u>	9,267,544	1,466,378	2,267,508	190,800	831,557
Excess (deficiency) of revenues over expenses-November 30, 1967	(286,805)	-	-	-	(286,805)
Depreciation	-	(43,839)	(153,877)	-	197,546
Additions to fixed assets	-	-	39,652	-	(36,552)
<u>Balance-November 30, 1967</u>	5,080,939	1,422,539	2,153,489	200,000	787,919
Excess (deficiency) of revenues over expenses-November 30, 1968	(368,616)	-	-	-	(368,500)
Depreciation	-	(43,839)	(147,238)	-	191,877
Additions to fixed assets	-	-	161,341	-	(131,253)
<u>Balance-November 30, 1968</u>	<u>4,708,343</u>	<u>1,380,699</u>	<u>2,167,568</u>	<u>200,000</u>	<u>653,079</u>

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