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Oil-Port Discovery Center
Shreveport, Louisiana

Financial Statements With Auditors' Report

As of and for the Year Ended June 30, 1987

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and of her to disclose public officials. This report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

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SeaPort Recovery Center
Shreveport, Louisiana

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COOK & MERCHANT

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Independent Auditors' Report

To the Board of Directors
Sci-Port Discovery Center
Shreveport, Louisiana

We have audited the accompanying statement of financial position of Sci-Port Discovery Center, as of June 30, 1987, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Sci-Port Discovery Center'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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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 statements presentation. We believe that our audit provides 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 Sci-Port Discovery Center, as of June 30, 1987, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated August 27, 1987 on our consideration of Sci-Port Discovery Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Cook & Merchant
Certified Public Accountants
August 27, 1987

Ed-Park Discovery Center
 Shrewsbury, Louisiana
 Statement of Financial Position
 June 30, 1997

Assets

| | |
|------------------------------|-------------------|
| Current assets | |
| Cash | \$ 185,839 |
| Accounts receivable | 38 |
| Premonies to give | 22,768 |
| Prepaid expenses | 7,888 |
| Inventory | <u>5,818</u> |
| Total current assets | 212,551 |
| Long-term: premonies to give | 18,180 |
| Property and equipment: | |
| Fixed assets | 825,080 |
| Accumulated depreciation | <u>(342,183)</u> |
| Total property and equipment | 482,897 |
| Total Assets | <u>\$ 711,482</u> |

Liabilities and Net Assets

| | |
|----------------------------------|-------------------|
| Current liabilities: | |
| Accounts payable | \$ 39,594 |
| Accrued liabilities | 15,824 |
| Deferred revenue | 7,326 |
| Total current liabilities | <u>62,744</u> |
| Net assets: | |
| Unrestricted: | |
| Operating | 362,768 |
| Board designated | <u>7,243</u> |
| Total unrestricted | 370,011 |
| Temporarily restricted | 282,642 |
| Total net assets | <u>652,653</u> |
| Total Liabilities and Net Assets | <u>\$ 711,482</u> |

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

Ed-Port Discovery Center
Shrewport, Louisiana
Statement of Activities
For the Year Ended June 30, 1997

| | Restricted | Temporarily Restricted | Total |
|---|-------------------|---------------------------|-------------------|
| Revenues, Support and Reclassifications: | | | |
| Events | \$ 271,761 | \$ 3,855 | \$ 275,616 |
| Capital campaigns | 2,709 | 186,747 | 189,456 |
| Mad scientist ball fund raiser | 25,341 | — | 25,341 |
| Gift shop revenue | 23,264 | — | 23,264 |
| Admissions | 44,818 | — | 44,818 |
| Memberships | 30,198 | — | 30,198 |
| Summer camp | 10,416 | — | 10,416 |
| Interest income | 1,598 | — | 1,598 |
| Other revenue | 8,020 | — | 8,020 |
| Net assets released from restrictions: | | | |
| Satisfaction of restrictions | <u>979</u> | <u>1,938</u> | <u>—</u> |
| Total revenues, support and reclassifications | <u>\$18,842</u> | <u>198,183</u> | <u>\$116,025</u> |
| Expenses: | | | |
| Program services | | | |
| Public program facility | 46,528 | — | 46,528 |
| Exhibits | 82,802 | — | 82,802 |
| Education | 143,817 | — | 143,817 |
| Gift shop expenses | <u>20,291</u> | <u>—</u> | <u>20,291</u> |
| Total program services | 317,638 | — | 317,638 |
| Supporting services: | | | |
| Management and general | 117,230 | — | 117,230 |
| Fund raising | 78,070 | — | 78,070 |
| Long range planning | <u>7,189</u> | <u>—</u> | <u>7,189</u> |
| Total supporting services | 202,489 | — | 202,489 |
| Total expenses | <u>520,127</u> | <u>—</u> | <u>520,127</u> |
| Change in net assets | (110,225) | 198,183 | 87,958 |
| Net assets as of beginning of year | 369,232 | 7,458 | 376,690 |
| Net assets as of end of year | <u>\$ 259,007</u> | <u>\$ 205,641</u> | <u>\$ 464,648</u> |

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

Bureau/Chemistry Center
 Strategic Initiatives
 Department of Technical Expenses
 For the Year Ended June 30, 2017

| | Project Expenses | | Job Order | No. of Jobs | Total Program Amount | Supporting Services | | Total Supporting Services | Total Amount |
|---|------------------|---------------|-----------|----------------|----------------------------|---------------------|---------------|---------------------------------|-----------------|
| | Amount | Quantity | | | | Amount | Quantity | | |
| Personal | 1,584 | 10,110 | | 6,237 | \$ 50,000 | | 14,000 | \$ 64,000 | 21,000 |
| Payroll Taxes | | 2,256 | | 990 | 50,000 | | 1,650 | 4,650 | 50,000 |
| Subcontractors | | | | | | | | | 1,703 |
| Subscriptions - capital equipment | | | | | | | | | 8,153 |
| Supplies | | | | | | | | | 2,108 |
| Travel | | | | | | | | | 2,008 |
| Other supplies | | | | | | | | | 5,300 |
| Utilities | | | | | | | | | 14,800 |
| Supplies | | | | | | | | | 20,140 |
| Electricity | | | | | | | | | 30,100 |
| Equipment and supplies and maintenance | 6,800 | 64,700 | | 6,871 | 60,000 | | 14,000 | 74,000 | 114,000 |
| Subscriptions and fees | | | | | | | | | 3,201 |
| Travel | | | | | | | | | 1,500 |
| Printing | | | | | | | | | 21,000 |
| Real Estate/IMJ | | | | | | | | | 11,700 |
| Capital Equipment (Energy) | | | | | | | | | 15,700 |
| Insurance | 1,000 | 2,400 | | 2,400 | 1,200 | | 1,200 | 2,400 | 2,700 |
| Recreation | | | | | | | | | 300 |
| Depreciation | 1,000 | 4,100 | | 1,000 | 3,000 | | | 3,000 | 4,300 |
| Cost of goods sold | | | | | | | | | |
| Total | 10,384 | 81,266 | | 10,127 | 111,000 | | 30,150 | 141,150 | 151,500 |

Sci-Port Discovery Center
 Slawport, Louisiana
 Statement of Cash Flows
 For the Year Ended June 30, 1987

Operating activities

| | | |
|--|-----|----------------|
| Change in net assets | (+) | 84,858 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | | 61,387 |
| Increase (decrease) in operating assets: | | |
| Accounts receivable | | 587 |
| Prepaid to give | (-) | 48,982 |
| Prepaid expenses | | 3,819 |
| Inventory | (-) | 881 |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable | | 25,104 |
| Accrued liabilities | | 7,204 |
| Deferred revenue | | 4,823 |
| | | <u>121,858</u> |
| Net cash provided in operating activities | | |

Investing Activities

| | | |
|---------------------------------------|-----|--------------|
| Purchases of property and equipment | (-) | 2,883 |
| | | <u>2,883</u> |
| Net cash used in investing activities | | |

| | | |
|------------------------------|--|------------------|
| Net (decrease) in cash | | 118,975 |
| Cash as of beginning of year | | 51,852 |
| Cash as of end of year | | <u>\$169,827</u> |

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

Sci-Park Discovery Center
Shreveport, Louisiana
Notes to Financial Statements
June 30, 1997

(3) Summary of Significant Accounting Policies

A. Nature of Activities

Sci-Park Discovery Center, (Sci-Park), is a private nonprofit organization incorporated under the laws of the State of Louisiana. Sci-Park is governed by a Board of Directors.

Sci-Park provides an educational and entertaining environment for people of all ages to explore and actively participate in the world of science and technology. Sci-Park develops a comprehensive view of the world through the interaction of science and the humanities and serves as a catalyst to encourage life-long learning. The center is presently operating in a temporary location in Shreveport, Louisiana and the City of Shreveport is in the process of constructing a permanent facility and finalizing an agreement with Sci-Park to operate it.

Approximately 40% of Sci-Park's funding is obtained through grants, with 21% of that coming from the City of Shreveport. Another 21% of funding is obtained from other fund-raising efforts.

The following program and supporting services are included in the accompanying financial statements:

Public Programs Facility - Accounts for the expenses directly related to obtaining and maintaining the center's facility which provides educational programs for the public.

Exhibits - Accounts for the expenses directly related to obtaining and maintaining the center's interactive, educational exhibits.

Education - Encourages children to have a better understanding of science through a summer camp program, interactive programs, exhibit demonstrations, and by various outreach activities provided both within and outside the center facility.

Gift Shop - Accounts for the operation of a gift shop within the center that sells various science related items.

Management and General - Includes the functions necessary to provide coordination and articulation of Sci-Park's program strategy; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of Sci-Park and to promote the center's programs and attract local based audiences.

Fund-raising - Provides the structure necessary to encourage and secure private financial support from individuals, foundations, and corporations, as well as efforts to obtain government funding and other grants.

(Continued)

Sci-Park Discovery Center
Stromport, Louisiana
Notes to Financial Statements
June 30, 1987
(Continued)

B. Basis of Accounting

The financial statements of Sci-Park have been prepared on the accrual basis of accounting.

C. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

D. Income Tax Status

Sci-Park is a not-profit corporation and is exempt from state and federal income taxes under Section 501 (c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to Sci-Park's tax-exempt purpose is subject to taxation as unrelated business income. Sci-Park had no such income for this audit period.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and the reported amounts of revenues and expenses. Actual results could differ from these estimates.

F. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, Sci-Park considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Sci-Park had no cash equivalents during this audit period.

G. Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met, and the promises become unconditional.

(Continued)

Sci-Park Discovery Center
Shreveport, Louisiana
Notes to Financial Statements
June 30, 1997
(Continued)

H. Inventory

Inventory consists of various small items held for resale in the gift shop maintained in the museum. Inventories are stated at the lower cost or market determined by the first-in, first-out method.

I. Property and Equipment

Sci-Park capitalizes all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment are carried at cost. Donated property and equipment are carried at the approximate fair value at the date of donation. Leasehold improvements are capitalized and amortized over the term of the lease or the estimated useful life of the improvements, whichever is less. Exhibits with a limited display life have been capitalized and amortized over their useful lives. Depreciation is computed using the straight-line method over the estimated useful life of each asset.

J. Deferred Revenue

Income from summer camp registration fees is deferred and recognized over the periods to which the fees relate.

K. Restricted and Unrestricted Revenue

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose of restriction is accomplished) in the reporting period in which the support is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

L. Donated Services

Donated services are recognized as contributions in accordance with SFAS No. 118, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Sci-Park.

(Continued)

Sci-Park Recovery Center
 Shreveport, Louisiana
 Notes to Financial Statements
 June 30, 1987
 (Continued)

M. Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

(2) Concentrations of Credit Risk

Financial instruments that potentially subject Sci-Park to concentrations of credit risk consist principally of temporary cash investments and promises to give receivable.

Sci-Park maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. The amount in excess of the FDIC limit totaled 470,534 as of June 30, 1987.

(3) Promises to Give

Sci-Park is in the process of conducting a fund-raising campaign to provide funds for exhibit purchases for the new facility under construction, as well as funds for additional operating expenses that will be incurred. Therefore, promises to give are restricted for purposes of the new facility. Promises to give receivable in more than one year are discounted at 8.5%. Uncollectible promises are expected to be insignificant.

| | | |
|---|----|-------------------|
| Receivable in less than one year | \$ | 20,768 |
| Receivable in one to five years | | <u>38,813</u> |
| Total unconditional promises to give | | 59,581 |
| Less discounts to net present value | | <u>17,740</u> |
| Net unconditional promises to give at June 30, 1987 | | <u>41,841</u> |

(Continued)

Sci-Port (Shreveport) Canal
Shreveport, Louisiana
Notes to Financial Statements
June 30, 1987
(Continued)

(4) Property and Equipment

At June 30, 1987, the costs of property and equipment were as follows:

| | Estimated Useful Life | Costs | Accumulated Depreciation | Net |
|-------------------------|--------------------------|------------|-----------------------------|-----------|
| Household improvements | 2 years | \$ 169,076 | \$ 169,818 | \$ - |
| Vehicles | 5 years | 28,667 | 75,758 | (47,091) |
| Furniture and equipment | 2 - 7 years | 6,000 | 3,483 | 2,517 |
| Permanent exhibits | 10 years | 204,838 | 124,667 | 80,171 |
| | | \$ 408,381 | \$ 373,726 | \$ 34,655 |

Depreciation expense for the year ended June 30, 1987 was \$51,967.

(5) Accrued Liabilities

At June 30, 1987, accrued expenses consisted of the following:

| | | |
|---------------------------------|----|-----------|
| Accrued leave payable | \$ | 8,000 |
| Accrued payroll | | 4,000 |
| Payroll and other taxes payable | | 1,888 |
| | | \$ 13,888 |

(6) Board Designated Unrestricted Net Assets

The Board of Directors voted to designate certain dividends received as an internal endowment fund. Interest earned on the fund is available for use in operations.

(7) Temporarily Restricted Net Assets

The temporarily restricted net assets represent grants and capital campaign donations received for specific purposes defined by the grantor under awards that were not yet expended at June 30, 1987.

(8) Third Party Reimbursement

During the year ended June 30, 1987, Sci-Port received funding from the City of Shreveport under contractual arrangements amounting to \$100,000. The continued existence of this revenue is based on annual contract renewals with the City of Shreveport. At the present time, Sci-Port's contract with the City of Shreveport expires as of December 31, 1987. A long term operating agreement between Sci-Port and the City of Shreveport is in the process of being finalized.

(Continued)

Sci-Port (Recovery) Center
Stennisport, Louisiana
Notes to Financial Statements
June 30, 1987
(Continued)

(9) **Donated Services**

During the year ended June 30, 1987, the Calte Parish and Bossier Parish school boards hired an employee to serve as the Sci-Port Education Coordinator. The amounts that the school boards paid for the salary and benefits of this position totaled \$52,735 and this amount was collected as grants revenue and education expenses.

(10) **Operating Leases**

Sci-Port leases certain equipment and buildings under operating leases. Rental costs on these items for the year ended June 30, 1987, were as follows:

| | | |
|-----------|----|------------------|
| Buildings | \$ | 22,474 |
| Equipment | | <u>2,822</u> |
| | | <u>\$ 25,296</u> |

Commitments under lease agreements having initial or remaining non-cancelable terms in excess of one year are as follows:

| | | |
|---------------------|----|------------------|
| For the Year Ending | | |
| <u>June 30,</u> | | |
| 1988 | \$ | 20,007 |
| 1989 | | 512 |
| 1990 | | 512 |
| 1991 | | <u>258</u> |
| | \$ | <u>\$ 21,289</u> |

COOKE & MOSEBART

Certified Public Accountants

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MEMPHIS
MEMPHIS OFFICE, ONE
MEMPHIS OFFICE, ONE
MEMPHIS OFFICE, ONE
MEMPHIS OFFICE, ONE

Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Directors
Sci-Pac Discovery Center
Stevenson, Louisiana

We have audited the financial statements of Sci-Pac Discovery Center as of and for the year ended June 30, 1987, and have issued our report thereon dated August 23, 1987. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Sci-Pac Discovery Center's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Sci-Pac Discovery Center's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Board of Directors and the various funding sources of the Agency. However, this report is a matter of public record and its distribution is not limited.



Cook & Marshall
Certified Public Accountants
August 27, 1997

Sub-Park Discovery Center
Birmingham, Louisiana
Schedule of Findings and Questioned Costs
June 30, 1987

There were no findings or questioned costs for the prior audit period ended June 30, 1986.

There are no findings or questioned costs for this audit period ended June 30, 1987.