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CADDO WARD II INDUSTRIAL DEVELOPMENT CORPORATION

WViana, Louisiana

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FINANCIAL STATEMENTS

December 31, 1967

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Release Date: JUL 0 1 1968

# CADDOWARD II INDUSTRIAL DEVELOPMENT CORPORATION

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To the Board of Directors  
Cadoe Ward II Industrial Development  
Corporation  
Vivian, Louisiana

We have compiled the accompanying general purpose financial statements of Cadoe Ward II Industrial Development Corporation (a nonprofit corporation) as of December 31, 1997, 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 information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*Smith Pugh Radinowitz L.L.P.*  
Certified Public Accountants

June 23, 1998

## CADDO WARD II INDUSTRIAL DEVELOPMENT CORPORATION

Combined Balance Sheet - All Fund Types and Account Groups  
December 31, 1997

	Governmental Fund Type- General Fund	Account Groups- General Fund Asset Account Group	Total (Micro-cashless Only)	
			1997	1996
<b>ASSETS</b>				
Cash	\$ 18,148	\$ 18,148	\$ 18,148	\$ 189,470
Certificates of deposit	294,580		294,580	
Flood assets		361,358	361,358	326,628
Total Assets	<u>284,728</u>	<u>380,358</u>	<u>636,082</u>	<u>496,298</u>
<b>FUND EQUITY</b>				
Unassigned fund balance	284,728		284,728	326,628
Investment in general fund assets		361,358	361,358	169,670
Total Fund Equity	<u>\$ 284,728</u>	<u>\$ 361,358</u>	<u>\$ 636,082</u>	<u>\$ 496,298</u>

**CADDO WARD II INDUSTRIAL DEVELOPMENT CORPORATION**

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
All Governmental Fund Types  
December 31, 1997

	<u>General Fund</u>
	<u>1997</u>
<b>REVENUES</b>	
Intergovernmental	\$ 175,871
Interest	<u>4,581</u>
Total revenues	<u>180,452</u>
<b>EXPENDITURES</b>	
Professional fees	4,193
Legal publications	403
Office associations	13,462
Supplies	508
Capital expenditures	<u>4,520</u>
Total expenditures	<u>26,086</u>
Excess of Revenues over Expenditures	154,366
<b>FUND BALANCES</b>	
Fund balance, beginning of year	<u>328,433</u>
Fund balance, end of year	<u>\$ 482,799</u>

**CADDO WARD II INDUSTRIAL DEVELOPMENT CORPORATION**

**Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -  
Budget (Cash) Basis and Actual - General Fund  
For the Years Ended December 31, 1997**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Intergovernmental	\$ 170,000	\$ 171,671	\$ 1,671
Interest	4,500	4,581	81
Total revenues	<u>174,500</u>	<u>176,252</u>	<u>1,751</u>
<b>EXPENDITURES</b>			
Capital outlays	4,500	4,528	(28)
Professional fees	4,200	4,185	15
Supplies	300	306	(6)
Marketing	13,500	13,460	40
Legal publications	500	475	25
Total expenditures	<u>21,000</u>	<u>20,954</u>	<u>46</u>
Excess of Revenues over Expenditures	153,500	155,298	1,798
<b>FUND BALANCES</b>			
Fund balance, beginning of year	109,400	109,400	
Fund balance, end of year	<u>\$ 262,900</u>	<u>\$ 264,698</u>	<u>\$ 1,798</u>

## CADDO WARD II INDUSTRIAL DEVELOPMENT CORPORATION

Notes to Financial Statements  
December 31, 1991

### I. Summary of Significant Accounting Policies

#### A. Reporting Entity

In 1978, L.S.A.-R.S. 39:1514 created a political subdivision named "The Caddo Parish Industrial District", the boundaries of which extend throughout Ward II of Caddo Parish. In 1985, the Caddo Ward II Industrial Development Corporation (the Corporation) was formed as the entity responsible for attracting business to the aforementioned industrial district. L.S.A.-R.S. 37:93 allocated a percentage of bonding fees from riverboats located in Caddo Parish to the Corporation. Accordingly, the Corporation must comply with regulations and procedures normally associated with governmental entities.

The Corporation is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the Corporation has presented its financial statements as a separate special-purpose government.

The primary function of the Corporation is to attract business to the Caddo Parish Industrial District. In its attempt to do so, its activities include the general improvement of land and infrastructure in an effort to make the District more desirable for new business ventures.

#### B. Fund Accounting

The accounts of the Corporation are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The Corporation now has one fund (the General Fund) and one account group (the General Fund Asset Account Group).

**General Fund** - The General Fund is the operating fund of the Corporation. It is used to account for all financial resources.

**General Fixed Assets Account Group** - The fixed assets (capital outlays) used in the General Fund are accounted for (capitalized) in this account group as they are recorded as expenditures in the General Fund.

#### C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds, which would include the Corporation's General Fund, are accounted for using a modified accrual economic measurement focus. Accordingly, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting whereby revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

#### D. Budget Policy

The Board of Directors of the Corporation adopts an annual cash basis budget, and periodically compares actual results with the adopted budget as a management control device. The budget for 1991 was amended in accordance with Louisiana statute.

## CADDO WARD III INDUSTRIAL DEVELOPMENT CORPORATION

Notes to Financial Statements  
December 31, 1993

### 1. Summary of Significant Accounting Policies (Continued)

#### I. Total Columns of Combined Statements - Overview

Total columns on the combined statements are captioned "information only" to indicate that they are prepared only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

#### F. Fixed Assets

Fixed assets include utility of land and land improvements, and are stated at historical cost. No depreciation has been provided on general fixed assets.

#### 2. Revenue Recognition - Intergovernmental Revenue and Economic Dependency

Intergovernmental revenue consists of payments to the Corporation of its statutory obligations of district board fees. The payments are booked when received. The Corporation is dependent on the funding fee as its only guaranteed source of revenue. Accordingly, any situation that adversely affected the percentage of districts located in Caddo Parish would adversely affect the Corporation. The Board is not aware of any situation that would drastically change the amount of revenue to be received in the next calendar year.

#### 3. Cash in Bank

At December 31, 1993, cash consisted of checking deposits. The deposits are stated at cost, which approximates their market value. Under state law, the deposits must be insured by either federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At year end, the Corporation's cash was secured as follows:

Federal deposit insurance	\$	180,000
Secured by accounts held by the bank or its agent (Category II)		<u>164,728</u>
Total deposits per bank	\$	<u>344,728</u>

#### 4. Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

#### 5. Income Tax Status

The Corporation is exempt from federal income taxation under Section 501 (c) (7) of the Internal Revenue Code.

#### 6. Judgments, Claims, and Contingencies

There is no litigation pending against the Corporation at December 31, 1993.



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

Members of the Board of Commissioners  
Caddo Ward II Industrial Development Corporation  
Vivian, Louisiana

We have performed the procedures indicated in the *Louisiana Government Audit Guide* and summarized below, which were agreed to by the management of the Caddo Ward II Industrial Development Corporation and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Caddo Ward II Industrial Development Corporation's compliance with certain laws and regulations during the year ended December 31, 1997, included in the accompanying *Louisiana Attention 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 to satisfy 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.

**Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$5,000, or public works exceeding \$50,000, and determine whether such purchases were made in accordance with LSA-RS 30:2111-2124 (the public bid law).

No expenditures described above were noted.

**Code of Ethics for Public Officials and Public Employees**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1132-1134 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the needed information.

3. Obtain from management a listing of all employees paid during the period under examination.

The Corporation had no payroll expense in 1997.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

The Corporation had no payroll expense in 1997.

### **Budgeting**

3. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the amended budget.

6. Trace the budget adoption and amendments to the minute book.

We noted that the amended budget was approved in the minutes.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures, noting no variances greater than 5%.

### **Accounting and Reporting**

8. Randomly select 6 disbursements made during the period under examination and:

- (i) trace payments to supporting documentation, as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (ii) determine if payments were properly coded to the correct fund and general ledger account, and

All payments were properly coded.

- (iii) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated proper approvals.

### **Meetings**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LS&RS 42-1 through 42-13 (the open meetings law).

Management has asserted that documents were properly posted and advertised. We also noted expenditures for legal publication were made.

### **Debt**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like instruments.

We inspected all bank statements for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like instruments.

Advances and Loans

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

The Corporation had no payroll expense in 1991.

Other

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 of Cadco Ward II Industrial Development Corporation 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.

*Smith Pugh R. Kinney, CPA*  
Certified Public Accountant

June 23, 1998

## APPENDIX F, LOUISIANA ATTESTATION QUESTIONNAIRE

June 24, 1998 Date

Smith, Pugh, Robinson, L.L.P.  
410 Marshall Street, Suite 300  
Shreveport, Louisiana 71201

(Auditor)

In connection with your compilation of our financial statements as of December 31, 1997 and for the period then ended, and as required by Louisiana Revised Statute 54:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 24, 1998 (date).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 58:1292, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes  No **Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1191-1124.

Yes  No 

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes  No **Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 28:1201-14) or the budget requirements of LSA-RS 38:45.

Yes  No **Accounting and Reporting**

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:35.

Yes  No 

We have filed our annual financial statements in accordance with LSA-RS 24:514, 24:513, and/or 24:52, as applicable.

Yes  No 

We have had our financial statements audited or compiled in accordance with LSA-RS 24:515.

Yes  No **Meetings**

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes  No **Debt**

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1874 Louisiana Constitution, Article VI, Section 23 of the 1874 Louisiana Constitution, and LSA-RS 47:1410.83.




Yes  No **Advances and Bonuses**

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:158, and AG opinion 79-729.

Yes  No 

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any communications to the foregoing representatives. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

 Secretary *6/24/98* Date  
 Treasurer *6/24/98* Date  
 President *6/24-98* Date

Note-Quasi-public entities should delete reference to the above statutes, unless required to follow such laws by contract with their public funding agencies. The quasi-public entities should include a representation that they have complied with the contractual provisions under which they have received state and/or local funds.