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**LOUISIANA THOROUGHBRED BREEDERS
ASSOCIATION**

December 31, 1994

Audit of Financial Statements

December 31, 1994

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 other appropriate public officials. The 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.

Release Date OCT 07 1998

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Board of Directors
Louisiana Thoroughbred Breeders Association

Independent Auditor's Report

We have audited the statement of assets, liabilities and fund balance - modified cash basis of **LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION** (a non-profit organization) as of *December 31, 1994*, and the related statements of revenues and expenses - modified cash basis, and changes in fund balance - modified cash basis, for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those 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 audit provides a reasonable basis for our opinion.

As described in Note A, the Association's policy is to prepare its financial statements on the modified basis of cash receipts and disbursements; consequently, certain revenues and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

As discussed in Note A, the Association has recorded accounts receivable related to the publication of the *Louisiana Horse* magazine. In our opinion, accounts receivable should not be recorded using the modified cash basis of accounting. The effect of recording accounts receivable is to increase assets, fund balance and revenues by \$51,430.

In our opinion, except for the effects of recording accounts receivable, as discussed in the preceding paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and fund balance of **LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION** as of December 31, 1994, and its related revenue and expenses and changes in fund balance for the year then ended on the basis of accounting as described in Note A.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 13 - 17 is presented for the purpose 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, except for the effects of recording accounts receivable, as discussed above, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Information for the year ended December 31, 1993, is presented for comparative purposes only and was extracted from the financial statements presented for that year, on which a qualified opinion dated May 25, 1994, was expressed.

La Porte, Leitch, Loney & Ward

A Professional Accounting Corporation

May 19, 1995

LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - MODIFIED CASH BASIS

December 31, 1994
 With Comparative Totals for 1993

ASSETS	Operating	Louisiana		Salam Races	Other Races	Political Action Council	Totals	
		Louisiana Horse	Champions Day				(Memorandum Only) 1994	1993
CURRENT ASSETS								
Cash - Checking	\$ 361,050	\$ 10,395	\$ 12,228	\$ 25,081	\$ 220,646	\$ 1,668	\$ 631,068	\$ 424,786
Investments	1,227,122	100,000	-	-	304,158	-	1,631,280	1,729,382
Accounts Receivable	-	51,430	-	-	-	-	51,430	58,337
Payroll Tax Deposits	2,597	-	-	-	-	-	2,597	2,389
NSF Checks Held	10	-	-	-	-	-	10	10
Due From State Treasury	-	-	-	-	-	-	-	87,953
Total Current Assets	1,590,779	161,825	12,228	25,081	524,804	1,668	2,316,385	2,302,857
PROPERTY AND EQUIPMENT								
Furniture and Equipment	189,228	52,689	-	-	-	-	241,917	235,112
Buildings	34,670	-	-	-	-	-	34,670	34,670
Automobiles	21,320	12,513	-	-	-	-	33,833	43,595
	245,218	65,202	-	-	-	-	310,420	313,377
Less: Accumulated Depreciation	(168,859)	(28,976)	-	-	-	-	(197,835)	(181,478)
Property & Equipment - Net	76,359	36,226	-	-	-	-	112,585	131,899
OTHER ASSETS								
Due From Breeders Sales Company	(42,037)	-	-	-	-	-	42,037	26,425
Investment - Breeders Sales Company	20,000	-	-	-	-	-	20,000	20,000
Due From Other Funds	6,400	-	-	-	5,022	-	11,422	7,500
Deposits	875	-	-	-	-	-	875	875
Total Other Assets	69,312	-	-	5,022	-	-	74,334	54,800
Total Assets	\$ 1,736,450	\$ 198,051	\$ 12,228	\$ 25,081	\$ 529,826	\$ 1,668	\$ 2,503,304	\$ 2,489,556

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

LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - MODIFIED CASH BASIS

December 31, 1994

With Comparative Totals for 1993

	Operating	Louisiana		Salam Races	Other Races	Political		Totals	
		Louisiana Horse	Champions Day			Action Council	(Memorandum Only) 1994	1993	
LIABILITIES AND FUND BALANCE (DEFICIT)									
CURRENT LIABILITIES									
Deposits - Futurity Races	\$ 46,560	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,560	\$ 113,507
Accrued Payroll Taxes and Other Liabilities	1,165	-	-	-	-	500	500	1,665	1,665
Total Current Liabilities	47,725	-	-	-	-	500	500	48,225	115,172
LONG-TERM LIABILITIES									
Deposits - Futurity Races	26,720	-	-	-	-	-	-	26,720	29,410
Due to Other Funds	5,022	-	-	-	-	6,400	6,400	11,422	7,500
Total Long-Term Liabilities	31,742	-	-	-	-	6,400	6,400	38,142	36,910
Total Liabilities	79,467	-	-	-	-	6,900	6,900	86,367	152,082
FUND BALANCE (DEFICIT)									
	1,656,983	198,051	12,228	25,081	529,826	(5,232)	2,416,937	2,337,474	
	<u>\$ 1,736,450</u>	<u>\$ 198,051</u>	<u>\$ 12,228</u>	<u>\$ 25,081</u>	<u>\$ 529,826</u>	<u>\$ 1,668</u>	<u>\$ 2,503,304</u>	<u>\$ 2,489,556</u>	

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

LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
STATEMENT OF REVENUES AND EXPENSES - MODIFIED CASH BASIS
For The Year Ended December 31, 1994
With Comparative Totals for 1993

	Operating	Louisiana		Other Races	Political Action Council	Totals (Memorandum Only)	
		Louisiana Horse	Champions Day			1994	1993
REVENUES	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 1,742,727	\$ 2,022,897
Awards - 9.1%	455,009	-	-	-	-	455,009	441,293
Fees - 14%	-	-	-	-	-	221,612	237,255
Awards - 8% & 15.1%	-	-	170,170	-	-	170,170	187,958
Awards - Kentucky Derby Day	164,273	-	-	-	-	164,273	201,356
Administrative Income	124,024	-	-	-	-	124,024	117,667
Commissions - 2%	-	111,381	-	-	-	111,381	139,678
Publications	39,763	2,959	2,523	306	-	69,258	65,485
Interest Income	-	-	41,500	-	-	41,500	17,000
Sponsorship	-	-	32,650	-	-	32,650	33,100
Nominations	29,835	-	-	-	-	29,835	35,600
Accrediting Fees	18,420	-	-	-	-	18,420	17,465
Member's Dues	5,229	-	-	4,214	1,000	15,112	1,308
Miscellaneous	-	-	10,800	-	-	10,800	16,724
Stallion Fees	-	-	7,695	-	-	7,695	18,380
Ticket Sales	-	-	-	-	1,100	1,100	2,200
Contributions	-	-	-	-	-	-	49,126
Return of Breakage	-	-	-	-	-	-	-
	836,553	114,340	365,338	226,132	2,100	3,215,566	3,604,492

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

LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
STATEMENT OF REVENUES AND EXPENSES - MODIFIED CASH BASIS (Continued)
For The Year Ended December 31, 1994
With Comparative Totals for 1993

	Operating	Louisiana			Political Action Council	Totals (Memorandum Only)	
		Louisiana Horse	Louisiana Champions Day	Salam Races		Other Races	1994
EXPENSES							
Breeder's Awards	-	-	-	291,689	-	1,389,849	1,785,153
Purse Supplements	-	-	269,921	-	-	100,000	280,348
Salaries	138,815	59,228	-	-	-	198,043	197,080
Administrative	-	-	-	-	-	164,273	201,356
Advertising and Promotion	66,435	726	47,334	-	-	114,495	112,087
Casual Labor	60,842	-	15,123	-	-	75,965	84,265
Publication Expenses	-	72,650	-	-	-	72,650	99,394
Insurance	60,513	309	-	-	-	60,822	67,463
Kentucky Derby Day Funds - LQBA	-	-	51,801	-	-	51,801	57,205
Meetings and Banquets	21,919	-	53,220	-	-	75,139	20,451
Profit Sharing Expense	41,060	-	-	-	-	41,060	48,564
Depreciation	20,400	11,525	-	-	-	31,925	33,119
Accounting and Legal	24,461	-	-	-	-	24,461	21,582
Computer Fees	21,330	993	-	-	-	22,323	17,618
Rent	9,000	8,800	-	-	-	17,800	17,850
Telephone Expense	12,985	3,651	79	-	-	16,715	20,384
Payroll Taxes	11,223	4,875	-	-	-	16,098	18,190
Travel	5,106	8,851	450	-	-	14,407	13,291
Trophies	6,219	-	7,848	-	-	14,067	16,594
Postage and Shipping	8,831	4,771	113	-	-	13,715	18,648
Office Supplies	12,042	784	14	-	-	12,840	12,455
Repairs and Maintenance	9,024	2,556	-	-	-	11,580	21,923
Printing	5,120	-	6,172	-	-	11,292	13,403
Dues and Subscriptions	10,859	336	-	-	-	11,195	17,082
Equipment Rental	1,657	3,108	-	-	-	4,765	5,805
Other	1,769	20	510	139	130	2,639	2,332
Utilities	-	2,510	-	-	-	2,510	2,288
Contributions	814	-	-	-	1,250	2,064	42,030
	550,424	185,693	452,585	291,828	1,380	3,136,103	3,247,960

EXCESS (DEFICIT) REVENUE OVER EXPENSES

\$ 286,129 \$ (71,353) \$ (87,247) \$ (65,696) \$ 16,910 \$ 720 \$ 79,463 \$ 356,532

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

LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
STATEMENT OF CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
For The Year Ended December 31, 1994
With Comparative Totals for 1993

	Operating	Louisiana		Salam Races	Other Races	Political Action Council	Totals (Memorandum Only)	
		Louisiana Horse	Champions Day				1994	1993
BALANCE - BEGINNING OF YEAR	\$ 299,581	\$ 244,453	\$ 12,466	\$ 31,451	\$ 1,755,475	\$ (5,952)	\$ 2,337,474	\$ 1,980,942
EXCESS (DEFICIT) REVENUES OVER EXPENSES	286,129	(71,353)	(87,247)	(65,696)	16,910	720	79,463	356,532
TRANSFER - CHANGE IN PRESENTATION	1,242,559	-	-	-	(1,242,559)	-	-	-
TRANSFER FROM (TO) OTHER FUNDS	(171,286)	24,951	87,009	59,326	-	-	-	-
BALANCE - END OF YEAR	<u>\$ 1,656,983</u>	<u>\$ 198,051</u>	<u>\$ 12,228</u>	<u>\$ 25,081</u>	<u>\$ 529,826</u>	<u>\$ (5,232)</u>	<u>\$ 2,416,937</u>	<u>\$ 2,337,474</u>

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

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

OPERATIONS

The **LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION** is a non-profit organization which seeks to promote and further the thoroughbred breeding industry within the state of Louisiana. In order to assist the Association in its promotion of the industry, the Association receives 14% of the 1.5% license fee collected by the Louisiana State Racing Commission from off-track wagering facilities. The Association has also elected to use these receipts to pay breeders awards to breeders of accredited Louisiana bred horses finishing first, second or third on out-of-state stakes races with a base value of \$25,000. These awards are paid at a rate of 10% of the earned purse, with the maximum award based on a purse of \$100,000 for Open Stakes and \$150,000 for Graded Stakes.

LOUISIANA HORSE

The *Louisiana Horse* is the official publication of the Association.

BREEDERS AWARDS - SALAM RACES

Each racing association shall conduct one special accredited Louisiana bred maiden (SALAM) thoroughbred race each thoroughbred racing day of each race meeting, if sufficient horses are available. The Executive Committee of the Association shall specify the type, age, distance and purse of each SALAM race.

Of the commissions earned by the racing association hosting each SALAM race, the Association receives 8%. If at the end of the racing association's meet, the racing association has commissions remaining, after it has paid purses, the money becomes available to the Association for supplementing Louisiana bred thoroughbred purses at the next available race meeting conducted by that racing association.

Of the commissions on wagers made at off-track wagering facilities on each SALAM race, the Association receives 15.1%.

The Association is obligated to use the above funds for payment of breeders awards in accordance with a distribution formula established by the executive committee of the Association. Accordingly, the Association pays 20% of the earned purse to the breeders of those horses that finish first, second and third in the respective SALAM race.

LOUISIANA CHAMPIONS DAY

The Association is authorized to hold a special day of racing devoted solely to Louisiana bred horses, for the purpose of focusing national attention on and enhancing the horse breeding industry in the State. It was enacted by the state legislature so as to include both thoroughbred and quarter horse races on the same racing program. The racing program on Louisiana Champions Day shall consist of seven races for thoroughbreds and three races for quarterhorses.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LOUISIANA CHAMPIONS DAY (Continued)

Louisiana Champions Day purses shall be determined by the Association after consultation with the Louisiana Quarterhorse Breeders Association and shall be funded through purses offered by participating racing associations, matching funds from the appropriate breeders association, corporate contributions, funds from Kentucky Derby Day and the \$100,000 receipt from 9.1% funds, mentioned below.

Kentucky Derby Day funds represent all fees from pari-mutuel wagering on races held on the first Saturday in May. These funds are paid to the Association by order of the State of Louisiana Department of Economic Development and are required to be placed in an interest bearing account.

During the year ended December 31, 1994, the Association received \$170,170 of Kentucky Derby Day Funds. These receipts were used, in full, to supplement Louisiana Champions Day purses, with \$118,369 paid towards thoroughbred race purses and \$51,801 paid toward quarter horse race purses. For the year ended December 31, 1993, the Association paid \$133,478 for thoroughbred race purses and \$57,205 for quarter horse race purses.

BREEDERS AWARDS - OTHER RACES

For purposes of this disclosure, other races include Accredited Louisiana Bred and Open Races. An Accredited Louisiana Bred Race is one that is written exclusively for accredited Louisiana bred horses. An Open Race is any race other than one written exclusively for accredited Louisiana bred horses. Of the commissions collected by the off-track betting facilities, throughout the State, that are designated for purse supplements, 9.1% is remitted to the Association. The exceptions are those commissions from SALAM races and Kentucky Derby Day races as mentioned above.

The Association is obligated to use these funds to supplement purses for allowance, handicap, stake races for accredited Louisiana bred horses and to pay breeders awards to breeders of accredited Louisiana bred horses finishing first, second and third in open races at any track in Louisiana.

Each racing association authorized to conduct race meets shall pay the equivalent of 10% of the winner's share of the purse of each Open Race won by an accredited Louisiana bred horse. The Association uses these funds together with 9.1% funds from above to pay breeders awards to breeders of accredited Louisiana bred horses finishing first, second, and third in Open Races, at any track in Louisiana..

The Association pays 20% of the earned purse as breeders awards. The maximum breeders award paid on an Accredited Louisiana Bred Race, other than a SALAM race, is based on a purse of \$75,000. The maximum award paid by the Association on an Open Race - Non-Graded Stakes is based on a purse of \$100,000. Finally, the maximum award paid by the Association on an Open Race - Graded Stakes is based on a purse of \$150,000.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES(Continued)

BREEDERS AWARDS - OTHER RACES (Continued)

Over and above the purse supplements mentioned above, the Association shall use up to one hundred thousand dollars (\$100,000) of the 9.1% funds, per year to supplement purses on Louisiana Champions Day.

Finally, the Association has elected to contribute 10% of the 9.1% funds to the general operation of the Association. This contribution is to help cover administrative costs incurred in maintaining the breeders awards program.

POLITICAL ACTION COMMITTEE

The Association formed a committee, known as the Breeder's Political Action Committee, for the purpose of representing the Association in legislative matters at the state level. Members are asked to contribute \$20 for the support of this committee.

PURSE SUPPLEMENTS

Any licensee who is licensed in the state of Louisiana to conduct race meetings where pari-mutuel wagering is permitted shall deduct one-half of the breakage, which is understood to be the amount of money left after paying off the bettors, and shall deposit and retain such amounts in a special account to be used for the purpose of supplementing purses for races written only for accredited thoroughbred horses. Amounts so deducted shall be used only at the track where such amount is deducted.

The amounts to be supplemented shall be agreed upon by the purse committee of the Association, and said purse committee shall be vested with complete custody and control. Any amount of money above the purse shall be considered supplemental money and shall be paid from the special account as directed by the Association's purse committee.

In relation to the purse supplements, the licensee conducting the race meeting shall withhold 2% of the total supplemental purse. The amounts so withheld from the supplemental purses shall be paid to the Association for use for operating and administrative expenses.

BASIS OF ACCOUNTING

The Association's policy is to prepare its financial statements on a modified cash basis that includes recording of depreciation on long-lived assets. Under this basis, revenues are generally recognized when collected rather than when earned, and expenses are generally recognized when paid rather than when incurred. Consequently, accrued income, with the exception of accounts receivable, as mentioned in Note E, and expenses, payables and deferred expenses, which may be material in amount, are not reflected in the accompanying financial statements. Thus, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with generally accepted accounting principles. If an expenditure results in the acquisition of an asset having an estimated useful life which extends beyond the year of acquisition, the expenditure is capitalized and depreciated over the estimated useful life of the asset.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS**

NOTE A

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the combined statements - overview are captioned memorandum only to indicate that they are presented to facilitate financial analysis only. Data in these columns do not present assets, liabilities and fund balance, revenues and expenses, and changes in fund balance - modified cash basis in conformity with generally accepted accounting principles.

ACCOUNTS RECEIVABLE

Beginning with the purchase of the *Louisiana Horse* publication in 1990, the Association began recording accounts receivable pertaining to the operation of the publication. Uncollectible accounts receivable are charged directly against earnings when they are determined to be uncollectible. Use of this method does not result in a material difference from the valuation method required by generally accepted accounting principles.

Credit is extended to those who are members of the Association.

INVESTMENTS

Investments are stated at cost and are comprised of Certificates of Deposit and Treasury Notes which mature within one year. Also, as mentioned in Note D, the Association has a wholly-owned subsidiary (Breeders' Sales Company of Louisiana, Inc.) which is stated at cost. Use of this method does not result in a material difference from the equity method required by generally accepted accounting principles. In contrast to the Association, the subsidiary operates as a for profit corporation and is not included or consolidated in these financial statements. As of December 31, 1994, the market value of these investments approximate cost, with the difference not being material to the financial statements as a whole.

PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost. Depreciation is provided on the straight-line and accelerated methods over the estimated useful lives of the respective assets. Use of the accelerated method does not result in a material difference from the straight-line method required by generally accepted accounting principles. When property and equipment are sold or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included within the results of operations. Depreciation expense totaled \$31,295 for the year ended December 31, 1994.

DEPOSITS HELD FOR FUTURITY RACES

Funds received as nominations for thoroughbreds to run in races scheduled in future years are accumulated until the races are run, with the funds distributed to the horseman's bookkeeper for distribution to the winning thoroughbred owner(s). These funds are shown as liabilities of the Association. Any interest earned on these funds is considered as operating revenue of the Association.

INCOME TAXES

The Association meets the requirements of Section 501(c)6 of the Internal Revenue Code and therefore is exempt from Federal and state income taxes.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS**

NOTE B

TRANSFERS - CHANGE IN PRESENTATION

During the year ended December 31, 1994, the Association elected to change the presentation of its financial statements, so that 14% money, as mentioned in Note A, shall be included within operations rather than as other race funds. This is appropriate as these funds are to be used for the promotion of the breeding industry and to assist in paying breeders awards, if needed.

NOTE C

DEFINED CONTRIBUTION PENSION PLAN

The Association has a defined contribution pension plan for all employees who have reached twenty-one years of age and have a minimum of one year of service. The annual contribution shall be equal to 25% of each eligible employees annual wages and shall be paid in January of the year following the year of eligibility.

The contributions paid in 1994 totaled \$41,060.

NOTE D

RELATED PARTY TRANSACTIONS

The Association is the sole shareholder of the Breeders' Sales Company of Louisiana, Inc. The purpose of this company is to organize and operate horse auctions in order for breeders to have a forum for selling their horses. It was formed by the Association's Board of Directors in order to keep the income of the two organizations separate.

During 1994, the Association was paid \$0 for the management of the Breeders' Sales Company of Louisiana, Inc. In 1994, the Breeders' Sales Company of Louisiana, Inc. had a net loss of \$34,989.

As of December 31, 1994, the Breeders' Sales Company of Louisiana, Inc. owes the Association \$42,037.

NOTE E

CONCENTRATION OF CREDIT RISK

The Association has several bank accounts whose balance exceeds the insurance coverage provided by the Federal government. As of December 31, 1994, \$117,552 of cash and investments balance are uninsured.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
SUPPLEMENTARY INFORMATION**

**SCHEDULE I
STATEMENTS OF REVENUES AND EXPENSES
OPERATING**

	For The Years Ended December 31,	
	1994	1993
REVENUES		
Fees - 14%	\$ 455,009	\$ 441,293
Administrative Income	164,273	201,356
Commissions - 2%	124,024	117,667
Interest Income	39,763	8,276
Accrediting Fees	29,835	35,600
Member's Dues	18,420	17,465
Miscellaneous	5,229	1,308
Total Revenues	836,553	822,965
EXPENSES		
Salaries	138,815	138,412
Advertising and Promotion	66,435	56,339
Casual Labor	60,842	46,447
Insurance	60,513	65,609
Pension Plan	41,060	48,564
Accounting and Legal	24,461	21,582
Meetings and Banquets	21,919	20,451
Computer Fees	21,330	16,772
Depreciation	20,400	29,037
Telephone	12,985	14,563
Office Supplies	12,042	11,013
Payroll Taxes	11,223	13,845
Dues and Subscriptions	10,859	16,685
Repairs and Maintenance	9,024	14,343
Rent	9,000	8,250
Postage and Shipping	8,831	11,452
Trophies	6,219	6,624
Printing	5,120	4,737
Travel	5,106	6,369
Other	1,769	1,936
Equipment Rental	1,657	1,993
Contributions	814	41,530
Total Expenses	550,424	596,553
Excess Revenues Over Expenses	\$ 286,129	\$ 226,412

See independent auditor's report on supplementary information.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
SUPPLEMENTARY INFORMATION**

**SCHEDULE II
STATEMENTS OF REVENUES AND EXPENSES
LOUISIANA HORSE**

	For The Years Ended	
	December 31,	
	1994	1993
REVENUES		
Publications	\$ 111,381	\$ 139,678
Interest	<u>2,959</u>	<u>2,787</u>
Total Revenues	<u>114,340</u>	<u>142,465</u>
EXPENSES		
Publication Expense	72,650	99,394
Salaries	59,228	58,668
Depreciation	11,525	4,082
Travel	8,851	6,922
Rent	8,800	9,600
Payroll Taxes	4,875	4,345
Postage and Shipping	4,771	3,726
Telephone	3,651	4,143
Equipment Rental	3,108	3,812
Repairs and Maintenance	2,556	7,580
Utilities	2,510	2,288
Computer Fees	993	846
Office Supplies	784	1,260
Advertising and Promotion	726	21,899
Dues and Subscriptions	336	397
Insurance	309	1,854
Other	20	259
Printing	<u>-</u>	<u>7</u>
Total Expenses	<u>185,693</u>	<u>231,082</u>
(Deficit) Revenues Over Expenses	<u>\$ (71,353)</u>	<u>\$ (88,617)</u>

See independent auditor's report on supplementary information.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
SUPPLEMENTARY INFORMATION**

**SCHEDULE III
STATEMENTS OF REVENUES AND EXPENSES
LOUISIANA CHAMPIONS DAY**

	For The Years Ended	
	December 31,	
	1994	1993
REVENUES		
Awards - Kentucky Derby Day	\$ 170,170	\$ 187,958
Awards - 9.1%	100,000	-
Sponsorship	41,500	17,000
Nominations	32,650	33,100
Stallion Fees	10,800	16,724
Tickets	7,695	18,380
Interest	2,523	1,075
Return of Breakage	-	49,126
Total Revenues	365,338	323,363
EXPENSES		
Purses Paid Out	321,722	337,553
Meetings and Banquets	53,220	-
Advertising and Promotion	47,334	33,849
Casual Labor	15,123	37,818
Trophies	7,848	9,970
Printing	6,172	8,659
Other	510	6
Travel	450	-
Postage and Shipping	113	3,368
Telephone	79	1,678
Office Supplies	14	101
Total Expenses	452,585	433,002
(Deficit) Revenues Over Expenses	\$ (87,247)	\$ (109,639)

See independent auditor's report on supplementary information.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
SUPPLEMENTARY INFORMATION**

**SCHEDULE IV
STATEMENTS OF REVENUES AND EXPENSES
SALAM**

	For The Years Ended	
	December 31,	
	1994	1993
REVENUES		
Awards - 8% & 15.1%	\$ 221,612	\$ 237,255
Other	4,214	-
Interest	306	583
Total Revenues	226,132	237,838
EXPENSES		
Breeders' Awards	291,689	326,672
Other	139	-
Postage	-	102
Office Supplies	-	73
Total Expenses	291,828	326,847
(Deficit) Revenues Over Expenses	\$ (65,696)	\$ (89,009)

See independent auditor's report on supplementary information.

**LOUISIANA THOROUGHBRED BREEDERS ASSOCIATION
SUPPLEMENTARY INFORMATION**

**SCHEDULE V
STATEMENTS OF REVENUES AND EXPENSES
OTB - OPEN RACES**

	For The Years Ended	
	December 31,	
	<u>1994</u>	<u>1993</u>
REVENUES		
Awards - 9.1%	\$ 1,642,727	\$ 2,022,897
Interest	23,707	56,195
Other	<u>4,669</u>	<u>-</u>
 Total Revenues	 <u>1,671,103</u>	 <u>2,079,092</u>
EXPENSES		
Breeders' Awards	1,389,849	1,458,481
Administrative Expense	164,273	201,356
Purse Supplements	100,000	-
Other	71	20
Office Supplies	<u>-</u>	<u>8</u>
 Total Expenses	 <u>1,654,193</u>	 <u>1,659,865</u>
 Excess Revenues Over Expenses	 <u>\$ 16,910</u>	 <u>\$ 419,227</u>

See independent auditor's report on supplementary information.