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**Shreveport Chamber of Commerce
Shreveport, Louisiana**

Financial Statements

**As of and for the Year Ended December 31, 1998
With Supplemental Information Schedules**

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 JUL 1 3 1999

Shreveport Chamber of Commerce
Shreveport, Louisiana

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Certified Public Accountants

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Independent Auditors' Report

To the Board of Directors
Shreveport Chamber of Commerce
Shreveport, Louisiana

We have audited the accompanying combined statement of financial position of the Shreveport Chamber of Commerce as of December 31, 1998, and the related combined statements of activities, functional expenses and cash flows for the year then ended. These combined financial statements are the responsibility of the Shreveport Chamber of Commerce'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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined 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.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Shreveport Chamber of Commerce as of December 31, 1998, 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 April 22, 1999 on our consideration of the Shreveport Chamber of Commerce's internal control over financial reporting and our tests of its *compliance with certain provisions of laws, regulations, contracts and grants*.

The accompanying supplemental schedules shown on pages 14-15 are presented for the purpose of additional analysis and are not a required part of the financial statements of the Shreveport Chamber of Commerce. Such information has been subjected to the procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.



Cook and Morehart
Certified Public Accountants
April 22, 1999

Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Financial Position
December 31, 1998
(with comparative amounts for 1997)

Assets	1998	1997
Current assets:		
Cash and cash equivalents	\$ 1,007,897	\$ 1,031,705
Accrued interest receivables		10,669
Grants receivable	14,773	31,312
Other receivables	426,309	50,778
Unconditional promises to give	350,725	410,475
Note receivable - current portion	27,270	28,863
Due from other funds	148,871	211,840
Total current assets	1,975,845	1,775,642
Noncurrent assets:		
Restricted cash for business loan program	104,022	104,461
Long-term unconditional promises to give	264,858	511,067
Note receivable-long term	216,466	241,721
Investment held for endowment purposes	292,515	267,115
Land held for development	1,714,144	1,603,884
Property and equipment, net	606,691	644,719
Total noncurrent assets	3,198,696	3,372,967
Total Assets	\$ 5,174,541	\$ 5,148,609
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 80,002	\$ 93,196
Current portion of long-term debt	45,497	48,646
Deferred revenue	507,357	287,067
Due to other funds	148,871	211,840
Total current liabilities	781,727	640,749
Other Liabilities	35,400	45,496
Total liabilities	817,127	686,245
Net assets		
Unrestricted:		
Operating	987,873	1,005,878
Designated - building reserve	25,000	
Fixed assets	581,195	590,577
Land held for industrial park	1,694,144	1,563,884
Temporarily restricted	776,686	1,034,910
Permanently restricted	292,516	267,115
Total net assets	4,357,414	4,462,364
Total Liabilities and Net Assets	\$ 5,174,541	\$ 5,148,609

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

Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Activities
For the Year Ended December 31, 1998
(with comparative amounts for 1997)

Revenues, gains, support and reclassifications:	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	
				1998	1997
Membership dues	\$ 856,903	\$	\$	\$ 856,903	\$ 751,427
Programs and projects	268,190			268,190	135,647
Rent and royalties	355,413			355,413	376,412
Grants and contracts	339,550	18,552		358,102	396,163
Publication sales	18,611			18,611	28,211
Contributions and donations	61,426	90,045		151,471	228,251
Interest and dividends	49,895		15,140	65,035	70,498
Miscellaneous	76,028			76,028	37,267
Unrealized gain on investment			10,261	10,261	1,046
Gain on sale of investments					2,869
Net assets released from restrictions					
Satisfaction of program restrictions	366,821	(366,821)			
Total revenues, gains, support and reclassification	2,392,837	(258,224)	25,401	2,160,014	2,027,791
Expenses:					
Supporting services					
General and administrative	596,573			596,573	553,172
Marketing and fund raising	180,389			180,389	83,395
Programs services					
Community development	76,049			76,049	88,148
Government relations	156,204			156,204	136,987
Membership services	556,424			556,424	545,237
Economic development	563,903			563,903	462,791
Government procurement center	135,422			135,422	135,206
Total expenses	2,264,964			2,264,964	2,004,936
Change in net assets	127,873	(258,224)	25,401	(104,950)	22,855
Net assets, beginning of year, as stated	3,160,339	1,034,910	267,115	4,462,364	4,439,509
Net assets, end of year	\$ 3,288,212	\$ 776,686	\$ 292,516	\$ 4,357,414	\$ 4,462,364

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

Shreveport Chamber of Commerce
Shreveport, Louisiana

Combined Statement of Functional Expenses
For the Year Ended December 31, 1998
(with comparative amounts for 1997)

	Support Services					Program Services					Totals	1997		
	General and Administrative		Marketing and Fund Raising		Total	Community Development		Government Relations		Economic Development			Government Procurement Center	Total
Salaries and commissions	\$ 219,322	\$ 39,947	\$ 259,269	\$ 72,680	\$ 134,263	\$ 150,785	\$ 75,695	\$ 468,976	\$ 728,245	\$ 645,868				
Payroll taxes	16,159	3,292	19,451	5,838	11,254	12,031	5,748	37,837	57,288	57,051				
Pension expense	2,118		2,118	5,928	1,371	8,875	3,573	22,494	24,612	35,726				
Other employee benefits	24,683	5,579	30,262	8,489	14,149	14,822	6,078	47,539	77,801	63,860				
Advertising	4,248	9,127	13,375		255,609	9,492		265,101	278,476	248,030				
Auto leases										6,445				
Liability insurance	20,937		20,937						20,937	29,264				
Interest expense	3,566		3,566			154		154	3,730	5,690				
Building rent	10,260		10,260			16,740		16,740	27,000	28,500				
Office supplies	21,311	697	22,008	733	3,694	1,340	2,819	8,806	30,814	27,299				
Periodicals and dues	9,364	146	9,510	1,170	650	1,754	18,488	22,062	31,572	23,821				
Postage	7,395	1,478	8,873	1,935	33,100	2,741	2,773	41,784	50,657	32,537				
Accounting and legal	13,076		13,076			1,380		1,380	14,456	36,638				
Photocopy and printing	16,167	4,074	20,241	8,137	19,799	6,556	1,680	36,317	56,558	38,243				
Travel	8,861	795	9,656	11,697	5,116	16,525	8,504	42,261	51,917	65,133				
Members/prospect development		71,304	71,304						71,304	17,327				
Seminars and workshops					7,615	435	312	8,362	8,362	15,892				
Luncheons and receptions	12,014		12,014	7,545	12,370	11,274		31,210	43,224	20,587				
Contract labor	742		742		111		547	658	1,400	1,766				
Equipment replacement	6,149		6,149	2,106	2,408	770	2,720	8,004	14,153	3,350				
Professional development	470	1,290	1,760	935	3,183	1,270	2,846	8,754	10,514	9,644				
Repairs and maintenance	11,888		11,888	3,550	332		38	3,920	15,808	23,926				
Custodial expenses	15,379		15,379						15,379	14,052				

(Continued)

Shreveport Chamber of Commerce
Shreveport, Louisiana

Combined Statement of Functional Expenses

For the Year Ended December 31, 1998

(with comparative amounts for 1997)

(Continued)

	Support Services				Program Services				Totals	
	General and Administrative	Marketing and Fund Raising	Community Development	Government Relations	Membership Services	Economic Development	Government Procurement Center	1998	1997	
Telephone	8,545	2,266	2,041	4,571	7,189	6,530	3,541	34,683	33,545	
Utilities	23,726							23,726	24,289	
Computer services									34,793	
Miscellaneous	16,188	920	88	643		76,230	60	94,129	45,225	
Annual meeting expenses					35,482			35,482	30,561	
Board projects	730							730		
Information center		6,373						6,373		
Leadership programs		302	26,093					26,395	39,672	
Onward program						31,352		31,352	31,628	
Women's business council						16,085		16,085	15,417	
Black expo						31,268		31,268	44,329	
Special events		32,799		20,247	8,729	24,157		85,932	112,325	
Shreve park expenses						38,576		38,576	350	
VIVIAN industrial park									30,000	
Reserve for bad debts	95,240					50,575		145,815	51,163	
Depreciation	28,035					32,176		60,211	60,990	
Total expenses	\$ 596,573	\$ 180,389	\$ 76,049	\$ 156,204	\$ 556,424	\$ 563,903	\$ 135,422	\$ 2,264,964	\$ 2,004,936	

The accompanying notes are an integral part of this statement.

Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Cash Flows
For the Year Ended December 31, 1998
(with comparative amounts for 1997)

	1998	1997
Operating Activities		
Changes in net assets	\$ (104,950)	\$ 22,855
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	60,210	60,990
Gain on sales of property and equipment	(3,175)	
Loss on sale of investment		(2,869)
Unrealized gain on investment	(10,261)	(1,046)
(Increase) decrease in operating assets:		
Accrued interest receivable	10,669	(4,869)
Grants receivable	16,539	(6,333)
Other receivables	(375,531)	(22,065)
Unconditional promises to give	305,959	273,918
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	22,207	(15,478)
Deferred revenue	220,290	135,989
Contribution received - restricted loan program	440	
Investment return restricted for investment in endowment	(15,140)	(15,768)
Net cash provided by (used in) operating activities	127,257	425,324
Investing Activities		
Proceeds from sale of property and equipment	3,175	
Payments received on note receivable	26,848	17,705
Payments for property and equipment	(22,183)	
Development and other costs for land held for development	(110,260)	(159,760)
Net cash used in investing activities	(102,420)	(142,055)
Financing Activities		
Reduction of long-term debt	(48,645)	(107,123)
Net cash used in financing activities	(48,645)	(107,123)
Net increase in cash and cash equivalents	(23,808)	176,146
Cash and cash equivalents as of beginning of year	1,031,705	855,559
Cash and cash equivalents as of end of year	\$ 1,007,897	\$ 1,031,705

Supplemental disclosure:

Interest paid during the year ended December 31, 1998 was \$2,991.

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

Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 1998

(1) Summary of Significant Accounting Policies

A. Principles of Combination

The accompanying financial statements reflect the combined financial statements of the Shreveport Chamber of Commerce (the Chamber) and all related entities as described below. The members of the Chamber elect the board of directors of the Chamber, and the Executive Committee of the Chamber serves as the board of Greater Shreveport Economic Development Foundation, Inc. Greater Shreveport Industrial Park Development Foundation, Inc. has its own separate board. The Chamber and these other entities share common facilities and personnel. Material interorganization transactions and balances have been eliminated.

B. Nature of Activities

The Shreveport Chamber of Commerce – This is a nonprofit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)6 of the Internal Revenue Code. Activities within this entity are accounted for in two funds. The General Fund accounts for the general operations and activities of the Chamber, and the Vision 2000 Fund accounts for a five-year economic development campaign. Vision 2000's major components are as follows: 1) assistance to existing business and industry, 2) new business and industry recruitment, 3) community development, and 4) image marketing for Northwest Louisiana.

Greater Shreveport Economic Development Foundation, Inc. – This is a non-profit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code. Activities within this entity are primarily related to economic development, particularly of minority businesses and education.

Greater Shreveport Industrial Park Development Foundation, Inc. – This is a non-profit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code. Activities within this entity are primarily related to industrial park development.

C. Basis of Accounting

The financial statements of the Chamber have been prepared on the accrual basis of accounting.

D. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

(Continued)

Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 1998
(Continued)

E. 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.

F. Deferred Revenue

Income from membership dues is deferred and recognized over the periods to which the dues relate.

G. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Chamber considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

H. Promises to Give

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

I. Investments

The Chamber carries investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

J. Property and Equipment

Property, equipment, and leasehold improvements are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is provided on the straight-line method over the remaining term of the lease or the useful life of the improvement, whichever is shorter. The Chamber has adopted a policy of capitalizing all assets with a unit value of \$1,000 or more.

(Continued)

Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 1998
(Continued)

K. Restricted and Unrestricted Revenue and Support

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

L. Advertising Costs

The Chamber uses advertising to promote its services among the community it serves. The costs of advertising are expensed as incurred. During 1998, advertising costs totaled \$278,476. Of this amount, \$257,084 was incurred and reimbursed under a contract with the City of Shreveport to plan and implement a comprehensive marketing program to recruit new businesses, encourage jobs growth in primary growth industries, promote the entertainment industry for downtown Shreveport, and enhance the area economy.

M. Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Chamber's financial statements for the year ended December 31, 1997, from which the summarized information was derived.

(2) Concentrations of Credit Risk

Concentrations of credit risk with respect to promises to give are limited due to the large number of contributors comprising the Chamber's contributor base and their dispersion across different industries. As of December 31, 1998, the Chamber had no significant concentrations of credit risk in relation to promises to give.

The Chamber maintains cash balances at several financial institutions located in the Shreveport area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At December 31, 1998 total cash balances held at financial institutions was \$1,059,470. Of this amount, \$325,311 was secured by FDIC and the remaining \$734,159 was not insured. At December 31, 1998, there was approximately \$272,174 held in mutual funds at an investment company, that was not insured.

(Continued)

Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 1998
 (Continued)

(3) Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

Cash, non-interest bearing	\$ 97,310
Cash, interest bearing, daily simple interest	836,051
Certificates of deposit	<u>74,536</u>
	<u>\$ 1,007,897</u>

The certificates of deposit bear interest ranging from 4.0% to 6.0% and have maturities ranging from sixty days to twelve months, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. Therefore, these are treated as cash equivalents.

(4) Restricted Cash for Business Loan Program

The Chamber received \$140,000 in donations which were designated to be used for short-term business loans. The balance on hand of \$104,022 is shown as restricted cash. This balance represents the \$140,000 donation, less previously issued loans considered to be uncollectible. This balance is held by a local bank as collateral against the loans that are made by the bank for this program.

(5) Grants Receivable

The Chamber received two federal grants that provide reimbursement of allowable costs under contracts. This balance represents amounts due from these funding agencies at December 31, 1998, but not received until after that date.

(6) Other Accounts Receivable

The other accounts receivable balance at December 31, 1998 is comprised of membership dues, city marketing contract, riverboat boarding fees, and other miscellaneous amounts due at December 31, 1998 but not received until after that date.

(7) Note Receivable

The note receivable balance at December 31, 1998 consisted of the following:

8.0% note receivable from a corporation, due in monthly installments of \$3,639.90, including interest, through April 1, 2006, secured by a building and land that was sold to this corporation	\$ 243,736
Less current portion	<u>(27,270)</u>
	<u>\$ 216,466</u>

(Continued)

Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 1998
 (Continued)

Approximate maturities of the note receivable are summarized as follows:

For the Year Ending <u>December 31,</u>	<u>Approximate Amount</u>
1999	\$ 27,270
2000	27,350
2001	29,620
2002	32,078
2003	34,741
2004 and after	<u>92,677</u>
	<u>\$ 243,736</u>

(8) Promises to Give

The Chamber began a five-year economic development fund raising campaign at the end of 1995. Promises to give are restricted to payment of costs associated with economic development projects. Unconditional promises to give at December 31, 1998 are as follows:

Receivable in less than one year	\$ 386,057
Less allowance for uncollectible promises	<u>(35,332)</u>
Current portion	<u>350,725</u>
Receivable in one to five years	304,750
Less discounts to net present value	<u>(39,892)</u>
Long-term portion	<u>264,858</u>
Net unconditional promises to give at December 31, 1998	<u>\$ 615,583</u>

(9) Investment Held for Endowment Purposes

The Chamber had one mutual fund investment that is stated at fair value. At December 31, 1998, the cost of the investment was \$272,174 with a fair market value of \$292,515, which resulted in an unrealized appreciation in the investment of \$20,341. Investment return for the year ended December 31, 1998 was \$19,683, which consisted of \$15,140 interest and dividends and \$10,261 unrealized gain.

(Continued)

Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 1998
 (Continued)

(10) Property and Equipment

Property and equipment at December 31, 1998, with estimated depreciable life, are summarized as follows:

Land	N/A	\$ 100,000
Buildings	20-30 years	23,430
Leasehold Improvements	30 years	846,360
Furniture, fixtures, equipment	5-10 years	244,289
Autos	5 years	<u>15,432</u>
		1,229,511
Accumulated Depreciation		<u>(622,820)</u>
		<u>\$ 606,691</u>

Depreciation expense for the year ended December 31, 1998 was \$60,210.

(11) Land Held For Development

This represents \$1,254,850 of land purchased in Caddo Parish to develop an industrial park, as well as \$459,294 of development expenses. A portion of the land was purchased with city, state and parish funds through cooperative endeavor agreements that provide certain restrictions on the property's sale or transfer.

(12) Long-Term Debt

Long-term debt at December 31, 1998 consisted of the following:

Zero interest note payable to a company, due in yearly installments of \$20,000, through January 1, 2000, secured by a lien on land	20,000
7.25% note payable to a bank, due in monthly installments of \$2,636.30, including interest, through October 15, 1999, secured by computer equipment	<u>25,497</u>
	<u>\$ 45,497</u>

The balance of \$45,497 is due in 1999. Interest expense paid during the year ended December 31, 1998 was \$2,991.

(Continued)

Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 1998
 (Continued)

(13) Restrictions on Net Assets

Temporarily restricted net assets are available for the following purposes or periods:

For city marketing contract	\$	18,552
For subsequent year's activities - Vision 2000		617,083
For business loan program		104,022
For PEW grant		37,029
		776,686
	\$	776,686

Permanently restricted net assets consist of a donation received by the Chamber to establish and fund the J. Pat Beard Memorial Industry of the Year Award. The donor specified that the funds were to be invested by the Chamber and the annual income derived therefrom is to be used to underwrite the expenses of this annual award ceremony.

(14) Employee Benefit Plans

The Chamber has a defined contribution retirement plan (the Plan) covering all employees meeting certain length of service requirements. The Chamber makes a contribution to the Plan each year equal to 8% of all participants' compensation. Total expense for the year ended December 31, 1998, was approximately \$25,964.

(15) Operating Leases

The Chamber leases a building from the City of Shreveport requiring monthly payments of \$2,250 for thirty years with the option to renew for five successive ten year periods. The lease may be canceled at the lessor's option at any time with a partial reimbursement to the Chamber for leasehold improvements. The primary term of the lease expires in February, 2012. The lease payments paid on this lease for December 31, 1998 were \$27,000.

The future minimum lease payments under the building operating lease are as follows:

1999	\$	27,000
2000		27,000
2001		27,000
2002		27,000
2003		27,000
Thereafter		218,250
	\$	353,250

Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Schedule of Financial Position
December 31, 1998

	General Fund	Vision 2000	GSEDF, Inc.	GSIPDF, Inc.	Totals
Assets					
Current assets:					
Cash and cash equivalents	\$ 250,154	\$ 183,896	\$ 573,629	\$ 218	\$ 1,007,897
Grants receivable		14,773			14,773
Other receivables	325,803		100,506		426,309
Unconditional promises to give		350,725			350,725
Note receivable - current portion			27,270		27,270
Due from other funds			115,160	33,711	148,871
Total current assets	575,957	549,394	816,565	33,929	1,975,845
Noncurrent assets:					
Restricted cash for business loan program			104,022		104,022
Long-term unconditional promises to give		264,858			264,858
Note receivable-long term			216,466		216,466
Investment held for endowment purposes			292,515		292,515
Land held for development				1,714,144	1,714,144
Property and equipment, net	191,591	332	414,768		606,691
Total noncurrent assets	191,591	265,190	1,027,771	1,714,144	3,198,696
Total Assets	\$ 767,548	\$ 814,584	\$ 1,844,336	\$ 1,748,073	\$ 5,174,541
Liabilities and Net Assets					
Current liabilities:					
Accounts payable and accrued expenses	\$ 44,700	\$ 7,272	\$ 28,030	\$	\$ 80,002
Current portion of long-term debt	25,497			20,000	45,497
Deferred revenue	397,617	20,900	88,840		507,357
Due to other funds	52,936	42,956	52,979		148,871
Total current liabilities	520,750	71,128	169,849	20,000	781,727
Other liabilities			35,400		35,400
Total liabilities	520,750	71,128	205,249	20,000	817,127
Net assets					
Unrestricted:					
Operating, undesignated	62,152	126,041	765,751	33,929	987,873
Designated - building reserve			25,000		25,000
Fixed assets	166,094	332	414,769		581,195
Land held for industrial park				1,694,144	1,694,144
Temporarily restricted	18,552	617,083	141,051		776,686
Permanently restricted			292,516		292,516
Total net assets	246,798	743,456	1,639,087	1,728,073	4,357,414
Total Liabilities and Net Assets	\$ 767,548	\$ 814,584	\$ 1,844,336	\$ 1,748,073	\$ 5,174,541

Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Schedule of Activities
For the Year Ended December 31, 1998

	General Fund	Vision 2000	GSEDF, Inc.	GSIPDF, Inc.	Totals
Revenues, gains, and support					
Membership dues	\$ 727,459	\$	\$ 129,444	\$	\$ 856,903
Programs and projects	151,878	73,651	42,661		268,190
Rent and royalties	4,680		350,733		355,413
Grants and contracts	208,500	91,890	57,712		358,102
Publication sales	18,611				18,611
Contributions and donations		141,471		10,000	151,471
Interest and dividends	6,989	6,549	51,423	74	65,035
Miscellaneous	17,193	22,670	36,165		76,028
Unrealized gain on investment			10,261		10,261
Total revenues, gains, and support	1,135,310	336,231	678,399	10,074	2,160,014
Expenses:					
Supporting services					
General and administrative	596,573				596,573
Marketing and fund raising	180,389				180,389
Programs services					
Community development	49,955		26,094		76,049
Government relations	156,204				156,204
Membership services	556,424				556,424
Economic development		302,566	221,855	39,482	563,903
Government procurement center		135,422			135,422
Total expenses	1,539,545	437,988	247,949	39,482	2,264,964
Change in net assets, before transfers	(404,235)	(101,757)	430,450	(29,408)	(104,950)
Interfund Transfers:					
Operating transfers in	569,000			201,691	770,691
Operating transfers out		(300,000)	(470,691)		(770,691)
Change in net assets, after transfers	164,765	(401,757)	(40,241)	172,283	(104,950)
Net assets, beginning of year	82,033	1,145,213	1,679,328	1,555,790	4,462,364
Net assets, end of year	\$ 246,798	\$ 743,456	\$ 1,639,087	\$ 1,728,073	\$ 4,357,414

COOK & MOREHART

Certified Public Accountants

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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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
Shreveport Chamber of Commerce
Shreveport, Louisiana

We have audited the financial statements of Shreveport Chamber of Commerce as of and for the year ended December 31, 1998, and have issued our report thereon dated April 22, 1999. 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 Shreveport Chamber of Commerce's financial statements are free of material misstatement, 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 Shreveport Chamber of Commerce'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 solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Cook & Morehart". The signature is written in black ink and has a long, sweeping horizontal line extending to the right from the end of the word "Morehart".

Cook & Morehart
Certified Public Accountants
April 22, 1999

Shreveport Chamber of Commerce
Shreveport, Louisiana
Summary Schedule of Audit Findings
December 31, 1998

Summary Schedule of Prior Audit Findings

There were no findings or management letter comments for the prior year audit for the year ended December 31, 1997.

Corrective Action Plan for Current Year Audit Findings

There are no findings or management letter comments for the current year audit for the year ended December 31, 1998.