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ACADIA ECONOMIC DEVELOPMENT CORPORATION
FINANCIAL REPORT
DECEMBER 31, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 6.2.04

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BROUSSARD, POCHE', LEWIS & BREAUX, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT

Other Offices:

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To the Board of Directors
Acadia Economic Development Corporation
Crowley, Louisiana

We have compiled the accompanying statement of financial position of Acadia Economic Development Corporation (a nonprofit organization), as of December 31, 2003, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, 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 the management of Acadia Economic Development Corporation. 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.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of State law, we have issued a report, dated March 17, 2004, on the results of our agreed-upon procedures.

BROUSSARD, POCHE', LEWIS & BREAUX, L.L.P.

Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
Frank A. Stagno, CPA*
Scott J. Broussard, CPA*
L. Charles Abshire, CPA*
Kenneth R. Dugas, CPA*
P. John Blanchet III, CPA*
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Craig C. Babineaux, CPA*
Peter C. Borrello, CPA*
George J. Trappey III, CPA*
Gregory B. Milton, CPA*
S. Scott Sorleau, CPA*
Patrick D. McCarthy, CPA*
Martha B. Wyatt, CPA*
Troy J. BreauX, CPA*
Fayette T. Dupre', CPA*
Mary A. Castille, CPA*
Joey L. BreauX, CPA*
Terrel P. Dressel, CPA*

Crowley, Louisiana
March 17, 2004

Retired:

Sidney L. Broussard, CPA 1980
Leon K. Poche', CPA 1984
James H. BreauX, CPA 1987
Erma R. Walton, CPA 1988
George A. Lewis, CPA* 1992
Geraldine J. Wimberley, CPA* 1995
Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999
Ralph Friend, CPA 2002

Members of American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants

* A Professional Accounting Corporation.

ACADIA ECONOMIC DEVELOPMENT CORPORATION

STATEMENT OF FINANCIAL POSITION
December 31, 2003
See Accountant's Compilation Report

ASSETS

CURRENT ASSETS

Cash and cash equivalents
Accounts receivable

\$ 52,377
1,917

Total current assets

\$ 54,294

PROPERTY AND EQUIPMENT, net of
accumulated depreciation of \$8,538

3,061

Total assets

\$ 57,355

LIABILITIES AND NET ASSETS

LIABILITIES

Accrued expenses

\$ 3,923

NET ASSETS

Unrestricted, undesignated

53,432

Total liabilities and net assets

\$ 57,355

See Notes to Financial Statements.

ACADIA ECONOMIC DEVELOPMENT CORPORATION

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
 Year Ended December 31, 2003
 See Accountant's Compilation Report

Revenues:	
Contract services	\$ 74,564
Investment income	491
Contributions	58
Miscellaneous	807
	<hr/>
Total revenues	\$ 75,920
	<hr/>
Expenses:	
Program services:	
Economic development	\$ 73,310
Support services:	
Management and general	18,327
	<hr/>
Total expenses	\$ 91,637
	<hr/>
Decrease in unrestricted net assets	\$ (15,717)
Unrestricted net assets, beginning	69,149
	<hr/>
Unrestricted net assets, ending	\$ 53,432
	<hr/> <hr/>

See Notes to Financial Statements.

ACADIA ECONOMIC DEVELOPMENT CORPORATION

STATEMENT OF CASH FLOWS
 Year Ended December 31, 2003
 See Accountant's Compilation Report

CASH FLOWS FROM OPERATING ACTIVITIES:	
Decrease in unrestricted net assets	\$ (15,717)
Adjustments to reconcile decrease in unrestricted net assets to net cash used by operating activities	
Depreciation	647
Increase in accounts receivable	(702)
Decrease in accounts payable	(854)
Increase in accrued expenses	249
	<hr/>
Net cash used by operating activities	\$ (16,377)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of property and equipment	(195)
	<hr/>
Net decrease in cash and cash equivalents	\$ (16,572)
Cash and cash equivalents, beginning	68,949
	<hr/>
Cash and cash equivalents, ending	<u>\$ 52,377</u>

See Notes to Financial Statements.

ACADIA ECONOMIC DEVELOPMENT CORPORATION

STATEMENT OF FUNCTIONAL EXPENSES
 Year Ended December 31, 2003
 See Accountant's Compilation Report

	<u>Program Services</u>	<u>Support Services</u>	
	<u>Economic Development</u>	<u>Management and General</u>	<u>Total Expenses</u>
Salaries and benefits	\$ 54,941	\$ 13,735	\$ 68,676
Advertising and marketing	902	225	1,127
Professional fees	1,276	319	1,595
Telephone	1,364	341	1,705
Office supplies	832	208	1,040
Travel and entertainment	3,339	835	4,174
Depreciation	518	129	647
Dues and subscriptions	546	137	683
Printing and reproduction	318	80	398
Staff training	2,453	613	3,066
Insurance	6,459	1,615	8,074
Other costs	362	90	452
	<u>\$ 73,310</u>	<u>\$ 18,327</u>	<u>\$ 91,637</u>

See Notes to Financial Statements.

ACADIA ECONOMIC DEVELOPMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 1. Summary of Significant Accounting Policies

Acadia Economic Development Corporation, a nonprofit organization (the "Corporation"), was formed on March 5, 1997, pursuant to the laws of the State of Louisiana. The Corporation is engaged in economic development activities within the Acadia Parish area to maintain, enhance, improve, and enlarge the employment base of the citizens and residents thereof.

Basis of accounting:

The accompanying financial statements of the Corporation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America as applicable to nonprofit organizations. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

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*. SFAS No. 117 requires net assets and revenues, gains, expenses, and losses to be classified based on the existence or absence of donor-imposed restrictions. 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, which represents the expendable resources that are available for operations at management's discretion; temporarily restricted net assets, which represents resources restricted by donors as to purpose or by the passage of time; and permanently restricted net assets, which represents resources whose use by the organization is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the organization. The Corporation has no temporarily or permanently restricted net assets.

Cash and cash equivalents:

For reporting purposes, the Corporation considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Property and equipment:

Property and equipment are recorded at cost as of the date of acquisition or fair value at date of receipt for donated items. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is provided on the straight-line basis over the estimated useful lives of the assets, generally three to ten years.

The cost and accumulated depreciation of property sold or retired is removed from the related asset and accumulated depreciation accounts and any resulting gain or loss is recorded in the period of disposal.

ACADIA ECONOMIC DEVELOPMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Renewals and improvements which extend the useful lives of assets are capitalized at cost. Repairs and maintenance are included as expenses in the statement of activities.

Contributions:

The Corporation has adopted SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, whereby contributions received are recognized as revenue in the period received and classified as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions.

The Corporation has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

The Corporation receives substantially all of its revenue from cooperative agreements (contracts) with local municipalities.

Income taxes:

The Corporation is exempt from income taxes under Section 501(c)(6) of the U.S. Internal Revenue Code ("the Code") and comparable State law. As such, only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to Federal income tax. Since the Corporation had no net unrelated business income during the year ended December 31, 2003, no provision for income taxes has been made in the accompanying financial statements. Contributions to the Corporation qualify for the charitable contributions deduction to the extent provided by Section 170 of the Code.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses:

The costs of providing the Corporation's various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising:

Advertising costs are charged to expense as incurred. The Corporation's advertising costs for the year ended December 31, 2003, totaled \$1,127.

ACADIA ECONOMIC DEVELOPMENT CORPORATION

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 2. Cash and Cash Equivalents

The Corporation's book balances of its cash and cash equivalents at December 31, 2003, totaled \$52,177. Bank balances totaled \$52,874, which were fully secured by Federal Deposit Insurance Corporation (FDIC) coverage.

Note 3. Property and Equipment

A summary of property and equipment at December 31, 2003, is as follows:

Office furniture and equipment	\$ 11,599
Less: Accumulated depreciation	<u>(8,538)</u>
Net property and equipment	<u>\$ 3,061</u>

Depreciation expense for the year ended December 31, 2003, totaled \$647.



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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To the Board of Directors
Acadia Economic Development Corporation
Crowley, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Acadia Economic Development Corporation and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Acadia Economic Development Corporation's compliance with certain laws and regulations during the year ended December 31, 2003, included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely 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.

Federal, State, and Local Awards

1. Determine the amount of Federal, State, and local award expenditures for the fiscal year, by grant and grant year.

Acadia Economic Development Corporation did not receive any Federal, State, or local grant awards during the fiscal year. Revenues received from local municipalities are the result of cooperative agreements (contracts) which obligate Acadia Economic Development Corporation to provide economic development services for the local municipality and surrounding areas.

2. For each Federal, State, and local award, we randomly selected six disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.

We randomly selected six disbursements under the cooperative agreements (contracts) described above.

3. For items selected in agreed-upon procedure (2), trace the selected disbursements 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.

Eugene C. Gilder, CPA*
Donald W. Kelley, CPA*
Herbert Lemoine II, CPA*
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To the Board of Directors
Acadia Economic Development Corporation
Crowley, Louisiana

4. For the items selected in agreed-upon procedure (2), determine if the selected disbursements were properly coded to the correct fund and general ledger account.

All six of the payments were properly coded to the correct fund and general ledger account.

5. For the items selected in agreed-upon procedure (2), determine if the selected disbursements received approval from proper authorities.

Inspections of documentation supporting each of the six selected disbursements indicated approval from proper authorities.

6. For the items selected in agreed-upon procedure (2), determine if the selected disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

We examined the six selected disbursements for types of services allowed or unallowed and found that all of the disbursements complied with the allowability requirements because the disbursements met the goal of the program.

Eligibility:

Not applicable.

Reporting:

Not applicable.

7. For the programs selected for testing in agreed-upon procedure (2) that have been closed out during the period under review, compare the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

Not applicable.

Meetings

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1-42:12 (the open meetings law).

Acadia Economic Development Corporation is only required to post a notice of each meeting and the accompanying agenda on the door of Acadia Economic Development Corporation's office building. Additionally, Acadia Economic Development Corporation sends a fax broadcast to all members notifying them of each meeting. We examined evidence supporting both of the above.

Comprehensive Budget

9. For all grants exceeding \$5,000, determine that each applicable Federal, State, or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for State grants included specific goals and objectives and measures of performance.

Not applicable.

To the Board of Directors
Acadia Economic Development Corporation
Crowley, Louisiana

Prior Comments and Recommendations

10. Review any prior year suggestions, recommendations, and/or comments and indicate the extent to which such matters have been resolved.

Our prior year report dated June 26, 2003, did not include any comments or unresolved matters.

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 the management of Acadia Economic 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor, State of Louisiana, as a public document.

BROUSSARD, POCHE, LEWIS & BREAU, L.L.P.

Crowley, Louisiana
March 17, 2004

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)
3-17-04 (Date Transmitted)

Broussard, Poche', Lewis, & Breaux, L.L.P.
Certified Public Accountants
Post Office Drawer 307
Crowley, Louisiana 70527-0307 (Auditors)

In connection with your compilation of our financial statements as of *December 31, 2003*, and for the year then ended, and as required by Louisiana Revised Statute 24:513 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 regulation 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 3-17-04.

Federal, State, and Local Awards

We have detailed for you the amount of Federal, State and local award expenditures for the fiscal year, by grant and grant year.

N/A Yes No []

All transactions relating to Federal, State, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

N/A Yes No []

The reports filed with Federal, State, and local agencies are properly supported by books of original entry and supporting documentation.

N/A Yes No []

We have complied with all applicable specific requirements of all Federal, State, and local programs we administer, to include matters contained in the Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

N/A Yes No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes No []

Budget

For each Federal, State, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for State grants included specific goals and objectives and measures of performance

N/A Yes No []

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

N/A

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the Federal, State, and local grants, to include the applicable 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 will also disclose to you, the Legislative Auditor, and the applicable State grantor agency/agencies any known noncompliance which may occur up to the date of your report.

Stephen S. Brennan Secretary 3-17-04 Date _____

Treasurer _____ Date _____

President _____ Date _____