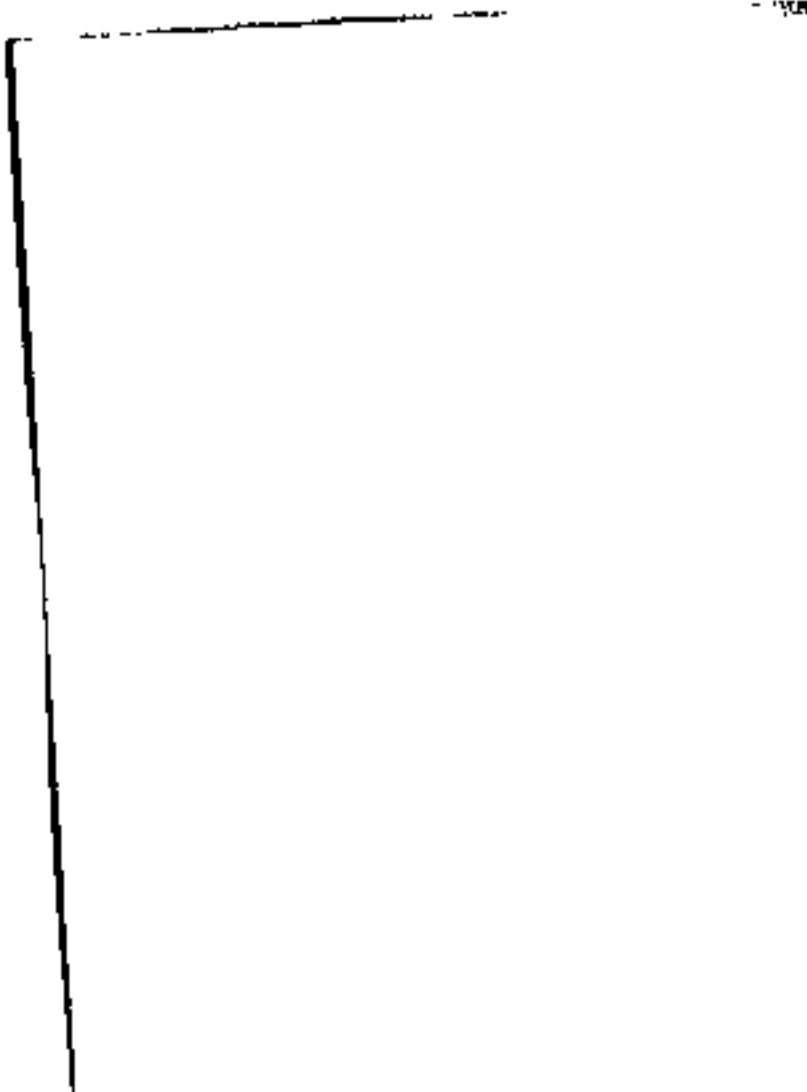


7078

Frederick, Norton, Robert & Schulthess
Certified Public Accountants (a professional corporation)
Post Office Drawer 1429
Jennings, LA 70546



Quarter Horse Racing Assn of LA

Financial Statements

As of and for the periods ended 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 5-12-04

Frederick, Norton, Robert & Schulthess
Certified Public Accountants (a professional corporation)
Post Office Drawer 1429
Jennings, LA 70546

To the Board of Directors
Quarter Horse Racing Assn of LA
P.O. Box 1300
DeRidder, LA 70634

We have compiled the accompanying statement of financial position of Quarter Horse Racing Assn of LA (a Non Profit Corporation) as of December 31, 2003, and the related statements of activities, and cash flows for the 3 Months and 12 Months 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 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. However, we did become aware of the departures from generally accepted accounting principles described in the following paragraphs.

Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The statements of the company do not reflect a provision for doubtful accounts. Bad debts are recorded when receivables are deemed to be uncollectible. Inventories, if any, are generally recorded at cost and estimated during interim periods. Adjustments, if any, to inventories and cost of sales are made when physical inventories are taken. The company calculates depreciation, if any, using methods described in the Internal Revenue Code. The effects of these departures from generally accepted accounting principles have not been determined.

The Company qualifies under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the company is generally not subject to income taxes. Therefore, no provision or liability for federal income tax is reflected in these statements.

Frederick, Norton, Robert & Schulthess

April 26, 2004

Quarter Horse Racing Assn of LA
Statement of Financial Position
As of December 31, 2003

ASSETS

CURRENT ASSETS

Cash on Hand & In Banks \$ 47,602.16

Total Current Assets \$ 47,602.16

PROPERTY AND EQUIPMENT

Less: Accumulated Depreciation 0.00

TOTAL ASSETS \$ 47,602.16

See Accountants' Compilation Report

**Quarter Horse Racing Assn of LA
Statement of Financial Position
As of December 31, 2003**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
F.I.C.A. /Federal Withholding	277.18
State Income Tax	<u>44.10</u>
Total Current Liabilities	\$ <u>321.28</u>
LONG-TERM LIABILITIES	
Total Long-Term Liabilities	<u>0.00</u>
Total Liabilities	<u>321.28</u>
NET ASSETS	
Unrestricted	<u>47,280.88</u>
Total Net Assets	<u>47,280.88</u>
TOTAL LIABILITIES & NET ASSETS	\$ <u>47,602.16</u>

See Accountants' Compilation Report

Quarter Horse Racing Assn of LA
Statement of Activities
For the 3 Months and 12 Months Ended December 31, 2003

	Current Period		Year to Date	
		%		%
Revenues & Gains				
Member Dues	\$ 100.00	100.00	\$ 1,960.00	7.27
Video Poker Tax Fund	0.00	0.00	25,000.00	92.73
Interest Income	0.00	0.00	307.32	1.14
Total Revenues & Gains	<u>100.00</u>	<u>100.00</u>	<u>27,267.32</u>	<u>101.14</u>
Expenses & Losses				
Publishing	76.75	76.75	99.87	0.37
Member Services & Awards	70.00	70.00	22,220.00	82.42
Advertising	3,630.00	3,630.00	3,630.00	13.46
Automobile & Truck Expense	0.00	0.00	324.36	1.20
Bank Charges	0.00	0.00	43.00	0.16
Meeting Expense	92.36	92.36	1,335.21	4.95
Licenses	0.00	0.00	25.00	0.09
Office Expense	76.04	76.04	777.77	2.88
Outside Services	306.47	306.47	722.34	2.68
Postage & Shipping	74.00	74.00	185.00	0.69
Salaries - Officers	1,050.00	1,050.00	2,100.00	7.79
Telephone	0.00	0.00	240.07	0.89
Total Expense & Losses	<u>5,375.62</u>	<u>5,375.62</u>	<u>31,702.62</u>	<u>117.59</u>
Inc. (Dec.) in Net Assets	<u>(5,275.62)</u>	<u>(5,275.62)</u>	<u>(4,435.30)</u>	<u>(16.45)</u>
Net Unrestricted Assets				
Beginning of Period	<u>52,556.50</u>	<u>(52,556.50)</u>	<u>51,716.18</u>	<u>(191.83)</u>
Net Unrestricted Assets				
End of Period	<u>47,280.88</u>	<u>47,280.88</u>	<u>47,280.88</u>	<u>175.37</u>

See Accountants' Compilation Report

Quarter Horse Racing Assn of LA
Statement of Cash Flows
For the 3 Months and 12 Months Ended December 31, 2003

	Current Period	Year to Date
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in net assets	\$ (5,275.62)	\$ (4,435.30)
Adjustments to reconcile Increase (Decrease) in net assets to net Cash provided by (used in) operating activities:		
Losses (Gains) on sales of Fixed Assets	0.00	0.00
Decrease (Increase) in Operating Assets:		
Increase (Decrease) in Operating Liabilities:		
Accrued Liabilities	149.64	321.28
Total Adjustments	<u>149.64</u>	<u>321.28</u>
Net Cash Provided By (Used in) Operating Activities	(5,125.98)	(4,114.02)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds From Sale of Fixed Assets	<u>0.00</u>	<u>0.00</u>
Net Cash Provided By (Used in) Investing Activities	0.00	0.00
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds From Sale of Stock	<u>0.00</u>	<u>0.00</u>
Net Cash Provided By (Used in) Financing Activities	<u>0.00</u>	<u>0.00</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,125.98)	(4,114.02)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>52,728.14</u>	<u>51,716.18</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 47,602.16</u>	<u>\$ 47,602.16</u>

See Accountants' Compilation Report