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DESOTO PARISH TOURISM COMMISSION

MANSFIELD, LOUISIANA

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FINANCIAL STATEMENTS

DECEMBER 31, 1995

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 8-7-96

DESOTO PARISH TOURISM COMMISSION

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Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

Independent Auditor's Report

Board of Commissioners
DeSoto Parish Tourism Commission
Mansfield, Louisiana

I have audited the accompanying financial statements of DeSoto Parish Tourism Commission, a component unit of DeSoto Parish Police Jury, as of and for the year ended December 31, 1995. These component unit financial statements are the responsibility of DeSoto Parish Tourism Commission management. My responsibility is to express an opinion on these component unit financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of DeSoto Parish Tourism Commission as of December 31, 1995 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued a report dated June 19, 1996, on my consideration of DeSoto Parish Tourism Commission's internal control structure and a report dated June 19, 1996, on its compliance with laws and regulations.

Marsha O. Millican

Certified Public Accountant
June 19, 1996

EXHIBIT A

DESOTO PARISH TOURISM COMMISSIONCombined Balance Sheet - Fund Type and Account Group
December 31, 1995

	<u>General Fund Type</u>	<u>Account Group General Fixed Assets</u>	<u>(Memorandum Only) Totals</u>
Assets:			
Cash	\$ 16,498	\$ -	\$ 16,498
Due from Other Governments	1,675	-	1,675
General Fixed Assets	<u>-</u>	<u>877</u>	<u>877</u>
Total Assets	<u>\$ 18,173</u>	<u>\$ 877</u>	<u>\$ 19,050</u>
Liabilities:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Equity:			
Investment in General Fixed Assets	<u>-</u>	<u>877</u>	<u>877</u>
Fund Balance:			
Unreserved-Undesignated	<u>18,173</u>	<u>-</u>	<u>18,173</u>
Total Fund Balance	<u>18,173</u>	<u>-</u>	<u>18,173</u>
Total Fund Equity	<u>18,173</u>	<u>877</u>	<u>19,050</u>
Total Liabilities and Fund Equity	<u>\$ 18,173</u>	<u>\$ 877</u>	<u>\$ 19,050</u>

See accompanying notes to financial statements.

DESOTO PARISH TOURISM COMMISSION

General Fund

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended December 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Occupancy Tax	\$ 15,430	\$ 21,933	\$ 6,503
Miscellaneous	15	-	(15)
Interest	<u>155</u>	<u>347</u>	<u>192</u>
Total Revenues	<u>15,600</u>	<u>22,280</u>	<u>6,680</u>
Expenditures:			
Current:			
General Government:			
Personal Services	6,425	2,893	3,532
Supplies	500	640	(140)
Other Services and Charges	<u>8,675</u>	<u>9,298</u>	<u>(623)</u>
Total Expenditures	<u>15,600</u>	<u>12,831</u>	<u>2,769</u>
Excess of Revenues Over Expenditures	-	9,449	9,449
Fund Balance, Beginning of Year	<u>8,724</u>	<u>8,724</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 8,724</u>	<u>\$ 18,173</u>	<u>\$ 9,449</u>

See accompanying notes to financial statements.

DESOTO PARISH TOURISM COMMISSION

Notes to Financial Statements
December 31, 1995

DeSoto Parish Tourism Commission was created by Ordinance No. 2 of DeSoto Parish Police Jury on June 13, 1984. The ordinance states the purpose of the Commission is the promotion of conventions and tourism in the parish of DeSoto. The Commission conducts its operations as DeSoto Parish Tourist Bureau. The Commission is a component unit of DeSoto Parish Police Jury.

The Commission is governed by a board of seven directors appointed by DeSoto Parish Police Jury. Appointments are made from a list of nominees submitted to the Police Jury by DeSoto Parish Chamber of Commerce. The directors are appointed for terms of three years.

1. Summary of Significant Accounting Policies:

The financial statements of DeSoto Parish Tourism Commission have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units.

The following is a summary of the more significant accounting policies:

Fund Accounting. The accounts of the Commission are organized on the basis of funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate the legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Governmental funds are used to account for all or most of a governments general activities, including acquisition or construction of general fixed assets. The general fund is used to account for all activities of the general government not accounted for in some other fund.

(Continued)

DESOTO PARISH TOURISM COMMISSION

Notes to Financial Statements
December 31, 1995

1. Summary of Significant Accounting Policies: (Continued)

Basis of Accounting. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis for accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities for the current period. Hotel/Motel receipts collected by the DeSoto Parish Police Jury but not remitted to the Commission are treated as susceptible to accrual.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Budgets and Budgetary Accounting. The Commission follows the procedures listed below in establishing the budgetary data reflected in these financial statements.

The Treasurer prepares a proposed budget which is submitted to the Board for consideration and approval by the Commission.

The Commission approved budget is then presented to the DeSoto Parish Police Jury for consideration and final approval.

All budgetary appropriations lapse at the end of each year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted.

General Fixed Assets. General fixed assets purchased are recorded at cost. Donated assets are recorded at the fair market value on the date of donation.

(Continued)

DESOTO PARISH TOURISM COMMISSION

Notes to Financial Statements
December 31, 1995

1. Summary of Significant Accounting Policies: (Continued)

Compensated Absences. The Commission does not compensate its employees for absence from work.

Due from Other Governments. Amounts due from other governments are considered to be fully collectible.

Total Columns on Combined Statements - Overview. Total columns on the combined statements - overview are captioned (Memorandum Only) to indicate that they are presented only to facilitate 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. Interfund eliminations have not been made in the aggregation of this data.

2. Cash:

At December 31, 1995, the Commission had cash deposits in financial institutions totaling \$16,681. These balances were fully insured by FDIC insurance.

3. Due From Other Governments:

Funds for the operation of the Commission are derived from a tax the Police Jury is authorized and empowered to levy upon the occupancy of hotel rooms and overnight camping facilities within the Parish. At December 31, 1995, amounts due to the Commission from the DeSoto Parish Police Jury totaled \$1,675.

4. Per Diem Paid to Commissioners:

No per diem was paid to commissioners for the period January 1, 1995 through December 31, 1995.

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

Independent Auditor's Report on Internal Control Structure
Based on an Audit of Component Unit
Financial Statements Performed in Accordance With
Government Auditing Standards

Board of Commissioners
DeSoto Parish Tourism Commission
Mansfield, Louisiana

I have audited the financial statements of DeSoto Parish Tourism Commission, a component unit of the DeSoto Parish Police Jury as of and for the year ended December 31, 1995, and have issued my report thereon dated June 19, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

The management of DeSoto Parish Tourism Commission is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of component unit financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the component unit financial statements of DeSoto Parish Tourism Commission for the year ended December 31, 1995, I obtained an understanding of the internal control structure. With respect to the internal control structure I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the component unit financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

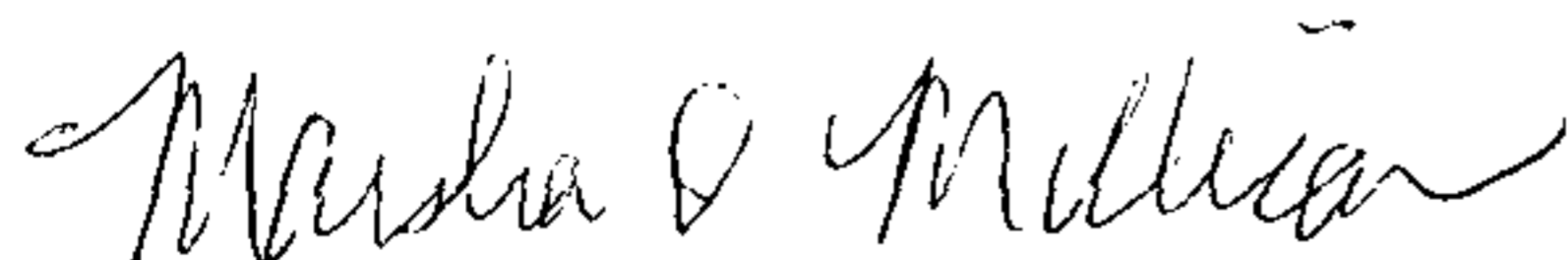
I noted a certain matter involving the internal control structure and its operation that I consider to be a reportable condition under standards established by the American Institute of Certified Public Accountants. A reportable condition involves matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the Commission's ability to record, process, summarize, and report financial data consistent with the assertions of management in the component unit financial statements.

Finding:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The cause is due to economic and space limitations.
Recommendation:	No action is recommended.
Management's Response:	We concur with the finding.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the component unit 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.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions, and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, I believe that the reportable condition described is a material weakness as described above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in the audit of the financial statements of Desoto Parish Tourism Commission.

This report is intended for the information of management, the Commissioners, and applicable state and federal cognizant agencies. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant
June 19, 1996

Marsha O. Millican

CERTIFIED PUBLIC ACCOUNTANT

Independent Auditor's Report on Compliance Performed in Accordance with Government Auditing Standards

Board of Commissioners
DeSoto Parish Tourism Commission
Mansfield, Louisiana

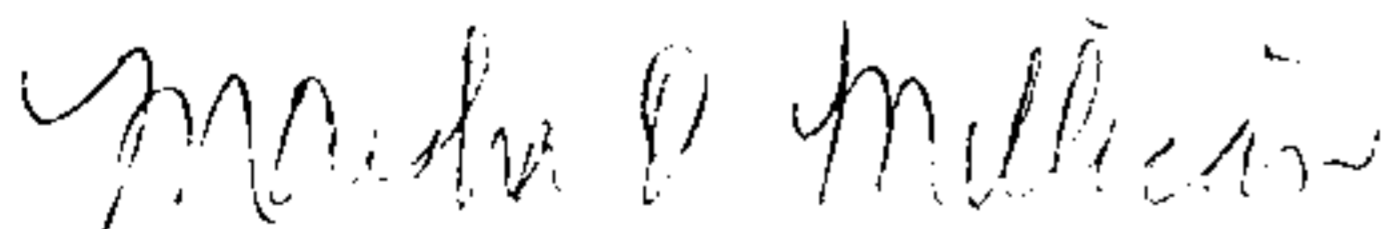
I have audited the financial statements of DeSoto Parish Tourism Commission, a component unit of DeSoto Parish Police Jury as of and for the year ended December 31, 1995, and have issued my report thereon dated June 19, 1996.

I conducted my audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to DeSoto Parish Tourism Commission is the responsibility of the management of DeSoto Parish Tourism Commission. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, I performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances on noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of management, the Commissioners, and applicable state and federal cognizant agencies. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountant
June 19, 1996