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LOUISIANA STATE BOARD OF
BARBER EXAMINERS
DEPARTMENT OF LABOR
STATE OF LOUISIANA

FINANCIAL REPORT

TWO YEARS ENDED DECEMBER 31, 1965

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. This 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 4-21-67

LOUISIANA STATE BOARD OF BARBER EXAMINERS
 DEPARTMENT OF LABOR
 STATE OF LOUISIANA
 TWO YEARS ENDED DECEMBER 31, 2005
 TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>SCHEDULE</u>	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	-	-	1-2
<i>Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards</i>	-	-	3-4
REQUIRED SUPPLEMENTARY INFORMATION	-	-	5
<i>Management Discussion & Analysis</i>	-	-	6-9
BASIC FINANCIAL STATEMENTS	-	-	10
<i>Statement of Net Assets</i>	A	-	11
<i>Statement of Revenues, Expenses, and Changes in Net Assets</i>	B	-	12
<i>Statement of Cash Flows</i>	C	-	13
<i>Notes to Financial Statements</i>	-	-	14-21
SUPPLEMENTAL INFORMATION	-	-	22
<i>Schedule of Board Members' Per Diem</i>	-	1	23
<i>Schedule of Revenues by Source, Thirteen Years Ended December 31, 2005 (Unaudited)</i>	-	2	24
<i>Summary Schedule of Prior Audit Findings</i>	-	3	25
<i>Financial Information Required by the Office of Statewide Reporting and Accounting Policy</i>	-	-	-



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Louisiana State Board of Barber Examiners
Department of Labor
State of Louisiana
Baton Rouge, Louisiana

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying basic financial statements of Louisiana State Board of Barber Examiners, a component unit of the State of Louisiana, as of and for the two years-ended December 31, 2003, as listed in the table of contents. These basic financial statements are the responsibility of the Louisiana State Board of Barber Examiners' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of Louisiana State Board of Barber Examiners as of December 31, 2003, and the respective changes in the financial position for the two years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the Board's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of Louisiana State Board of Barber Examiners. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

INDEPENDENT AUDITORS' REPORT (continued)

The Management's Discussion and Analysis on pages 4 through 9 and the other required supplementary information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.


Douglas W. Barclay
February 17, 2004



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Louisiana State Board of Barber Examiners
Department of Labor
State of Louisiana
Baton Rouge, Louisiana

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS

We have audited the basic financial statements of Louisiana State Board of Barber Examiners, a component unit of the State of Louisiana, as of and for the two years ended December 31, 2003, and have issued our report thereon dated February 13, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, 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 Louisiana State Board of Barber Examiners' basic 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 statements 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 Louisiana State Board of Barber Examiners' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic 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 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 basic 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.

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT ACCOUNTING STANDARDS (continued)**

This report is intended solely for the information and use of the Board, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Metairie, LA
February 17, 2004

REQUIRED SUPPLEMENTARY INFORMATION

LOUISIANA STATE BOARD OF BARBER EXAMINERS
DEPARTMENT OF LABOR
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Louisiana State Board of Barber Examiners, (hereinafter, the Board), we offer readers of the Board's financial statements this narrative overview and analysis of the financial activities of the Board for the year ended December 31, 2000.

FINANCIAL HIGHLIGHTS

The assets of the Board exceeded its liabilities at the close of the most recent year by \$82,171 (net assets). Of this amount, \$80,422 (unrestricted net assets) may be used to meet the Board's ongoing obligations to licensees and creditors.

The Board's total net assets increased by \$643, or less than 1%.

The Board's operating revenues increased by \$10,400 (or 10%) and operating expenses increased by \$581, or less than 1%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. The Board is engaged only in business type activities. The basic financial statements include enterprise fund financial statements and notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements.

ENTERPRISE FUND FINANCIAL STATEMENTS

The enterprise fund financial statements are prepared on the accrual basis of accounting which is similar to the accounting used by most private sector companies.

The first of these financial statements is the Statement of Net Assets. The Statement of Net Assets presents information on all of the Board's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the Board's financial position is improving or deteriorating.

The second financial statement is the Statement of Revenues, Expenses and Changes in Net Assets. The Statement of Revenues, Expenses and Changes in Net Assets report how the Board's net assets changed as a result of current year operations. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., earned but unused compensated absences).

The third financial statement is the Statement of Cash Flows. The Statement of Cash Flows reports how cash changed as a result of current year operations.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information required by the Office of Statewide Reporting and Accounting Policy and certain supplementary information concerning the Board's revenues for prior years.

FINANCIAL ANALYSIS OF THE BOARD AS A WHOLE

As noted earlier, net assets may serve over time as a useful indicator of the Board's financial position. In the case of the Board, assets exceeded liabilities by \$62,171 as of December 31, 2003.

STATEMENT OF NET ASSETS

	DECEMBER 31,		
	2003	2002	2001
ASSETS			
Current and other assets	\$127,297	\$124,683	\$146,208
Capital assets	<u>1,789</u>	<u>2,864</u>	<u>2,307</u>
Total assets	<u>129,086</u>	<u>127,547</u>	<u>148,515</u>
LIABILITIES			
Current liabilities	3,680	11,543	36,771
Non-current liabilities	<u>43,182</u>	<u>73,927</u>	<u>6,621</u>
Total liabilities	<u>46,862</u>	<u>85,470</u>	<u>43,392</u>
NET ASSETS			
Invested in capital assets	1,749	2,864	2,287
Unrestricted	<u>82,412</u>	<u>78,565</u>	<u>105,816</u>
Total net assets	<u>84,171</u>	<u>81,429</u>	<u>108,013</u>

CHANGES IN NET ASSETS

	YEAR ENDED DECEMBER 31,		
	<u>2002</u>	<u>2001</u>	<u>2000</u>
Revenue			
Operating revenues	\$348,460	\$318,088	\$287,099
Nonoperating revenues	<u>2,350</u>	<u>5,024</u>	<u>8,346</u>
Total revenues	350,810	323,112	295,445
Expenses			
Operating expenses	<u>330,213</u>	<u>349,832</u>	<u>(292,324)</u>
Increase (decrease) in net assets	60	(26,494)	3,681
Net assets - beginning of year	<u>81,528</u>	<u>108,022</u>	<u>104,341</u>
Net assets - end of year	<u>81,571</u>	<u>81,528</u>	<u>108,022</u>

CAPITAL ASSETS

The Board's investment in capital assets as of December 31, 2002 amounts to \$1,746 (net of accumulated depreciation). The investment in capital assets includes furniture and equipment. The net decrease in the Board's investment in capital assets for the current year was 41%.

**CAPITAL ASSETS AT YEAR-END
(NET OF ACCUMULATED DEPRECIATION)**

	DECEMBER 31,		
	<u>2002</u>	<u>2001</u>	<u>2000</u>
Furniture and equipment	<u>\$ 1,746</u>	<u>\$ 2,994</u>	<u>\$ 7,700</u>

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

During the year, the Board revised the budget once.

Some of the major budget amendments were as follows:

1. Office supplies were increased \$4,000.
2. Retirement was increased \$7,000.
3. Salaries were increased \$5,000.

Revenues exceeded budgetary estimates by \$16,628 and expenses were less than budgetary estimates by \$2,185.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

A weak economy means less job opening and lower wages in the industrial market. The economy has stabilized but the Board anticipates that increased barriers will remain constant in 2004.

For the year ending December 31, 2004, the Board approved a total budget of \$143,808, an increase of 71% over the fiscal 2003 budget. Budgeted expenditures are expected to rise 6% to \$138,811 from \$131,400 in 2003.

CONTACTING THE BOARD'S FINANCE MANAGEMENT

This financial report is designed to provide a general overview of the Board's finances and demonstrate the Board's commitment to public accountability. If you have any questions about this report, contact the board's office at 4024 Lakeside Avenue, Suite 1, Baton Rouge, Louisiana 70808.

BASIC FINANCIAL STATEMENTS

EXHIBIT A
LOUISIANA STATE BOARD OF BARBER EXAMINERS
DEPARTMENT OF LABOR
STATE OF LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2000

ASSETS

Current assets:	
Cash and cash equivalents	<u>\$ 120,347</u>
Total current assets	<u>120,347</u>
Property, plant and equipment:	
Machinery and equipment	10,278
Less accumulated depreciation	<u>(8,827)</u>
Net property, plant and equipment	<u>1,451</u>
Other assets:	
Security deposits	<u>620</u>
Total other assets	<u>620</u>
TOTAL ASSETS	<u>\$ 122,418</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 3,234
Accrued expenses and other	<u>440</u>
Total current liabilities	<u>3,674</u>
Noncurrent liabilities:	
Compensated absences	9,480
Deferred income	<u>32,738</u>
Total noncurrent liabilities payable	<u>42,218</u>
Total liabilities	<u>45,892</u>
Net assets:	
Invested in capital assets, net of related debt	1,749
Unrestricted net assets	<u>80,671</u>
Total net assets	<u>82,420</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 128,312</u>

The accompanying notes are an integral part of this statement.

LOUISIANA STATE BOARD OF BARBER EXAMINERS
 DEPARTMENT OF LABOR
 STATE OF LOUISIANA
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 TWO YEARS ENDED DECEMBER 31, 2003

	YEAR ENDED DECEMBER 31, 2003	YEAR ENDED DECEMBER 31, 2002
OPERATING REVENUES		
Charges for services	\$ 380,901	\$ 375,308
Penalty and delinquent fees	47,814	43,708
TOTAL OPERATING REVENUES	428,715	419,016
OPERATING EXPENSES		
Personal services and related benefits	204,351	198,480
Operating services	73,045	88,883
Materials and supplies	23,345	13,824
Travel	48,287	62,834
Depreciation	1,215	1,813
TOTAL OPERATING EXPENSES	350,243	365,834
OPERATING INCOME	78,472	53,182
NONOPERATING REVENUES (EXPENSES)		
Interest revenue	3,381	5,074
TOTAL NONOPERATING REVENUES	3,381	5,074
CHANGES IN NET ASSETS	81,853	(58,404)
TOTAL NET ASSETS - BEGINNING	81,858	181,822
TOTAL NET ASSETS - ENDING	\$ 163,711	\$ 123,418

The accompanying notes are an integral part of this statement.

LOUISIANA STATE BOARD OF BARBERS EXAMINERS
DEPARTMENT OF LABOR
STATE OF LOUISIANA
STATEMENT OF CASH FLOWS

EXHIBIT C

	December 2003	December 2002
Cash flows from operating activities		
Cash received from customers	\$ 348,468	\$ 318,863
Cash payments for goods and services	<u>(358,044)</u>	<u>(348,288)</u>
Net cash provided by operating activities	<u>(9,576)</u>	<u>(29,425)</u>
Cash flows from capital and related financing activities		
Capital contributions	-	(2,870)
Net cash used in capital and related financing activities	<u>-</u>	<u>(2,870)</u>
Cash flows from investing activities		
Receipts of interest and dividends	2,871	5,874
Net cash provided by investing activities	<u>2,871</u>	<u>5,874</u>
Net increase (decrease) in cash and cash equivalents	812	(19,722)
Cash and cash equivalents, beginning of year	<u>125,538</u>	<u>148,267</u>
Cash and cash equivalents, end of year	<u>\$ 126,350</u>	<u>\$ 128,545</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income (loss)	\$ (1,746)	\$ (31,888)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,215	1,813
Changes in operating assets and liabilities:		
Accounts payable	(5,358)	5,160
Accrued expenses and other	64	(544)
Cover long-term liabilities	7,238	3,868
Total adjustments	<u>708</u>	<u>5,347</u>
Net cash provided by operating activities	<u>\$ (1,571)</u>	<u>\$ (22,222)</u>

The accompanying notes are an integral part of this statement.

**LOUISIANA STATE BOARD OF BARBER EXAMINERS
NOTES TO FINANCIAL STATEMENTS
TWO YEARS ENDED DECEMBER 31, 2003**

INTRODUCTION

The Louisiana State Board of Barber Examiners is a component unit of the State of Louisiana created as provided by Louisiana Revised Statutes (LSA - R.S.) 37:341-392 within the Louisiana Department of Labor, as provided by LSA-R.S. 36:109. The Board is composed of five members, appointed by the governor, who are charged with licensing and regulating the practice of barbering in the State of Louisiana. The Board was established to administer examinations and issue, renew, suspend and/or revoke licenses of barbers in the State of Louisiana. Operations of the Board are funded entirely through self-generated revenues. As of December 31, 2003, there were 3,890 licensed barbers in the state.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying financial statements of the Louisiana State Board of Barber Examiners have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The assets of the Board are recorded on the Board's books at their historical cost, less accumulated depreciation. The net book value of the assets was recorded as capital contributions to the Board.

2. Reporting Entity

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. In conformance with GASB Codification Section 2100, the Board is a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and public service is rendered within the state's boundaries. The accompanying basic financial statements present only the transactions of the Louisiana State Board of Barber Examiners, a component unit of the State of Louisiana.

LOUISIANA STATE BOARD OF BARBER EXAMINERS
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Method of Accounting

On January 1, 2001, the Board adopted the provisions of Statement No. 34 ("Statement 34") of the Governmental Accounting Standards Board "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." Statement 34 established standards for external financial reporting for all state and local government entities which includes a statement of net assets, a statement of activities and changes in net assets and a statement of cash flows. It requires the classification of net assets into three components - invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

Invested in capital assets, net of related debt - This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

Restricted - This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets - This component of net asset consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The adoption of Statement 34 had no effect on the basic financial statements except for the classification of net assets in accordance with the Statement and the reflection of capital contributions as a change in net assets.

The financial statements of the Board are prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. Under Governmental Accounting Standards Board (GASB) Statement No. 20, the Board has elected not to apply Financial Accounting Standards Board provisions issued after November 30, 1989.

**LOUISIANA STATE BOARD OF BARBER EXAMINERS
NOTES TO FINANCIAL STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Property, Plant and Equipment

The property, plant and equipment of the Board are accounted for on a cost-of-service or "capital maintenance" measurement focus. Depreciation is provided using the straight-line method over estimated useful lives as follows:

Machinery and equipment	4-10 years
Buildings	25-40 years
Improvements other than buildings	30-50 years

5. Encumbrances

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed.

6. Cash and Investments

Cash includes demand deposits and interest bearing demand deposits. Under state law, the Board may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law, national banks having their principal offices in Louisiana, savings accounts or shares of savings and loan associations and savings banks, and in share accounts and share certificate accounts of federally or state chartered credit unions.

Under state law, the Board may invest in United States bonds, treasury notes, or certificates. The Board considers time deposits and investments with an original maturity of ninety days or less to be cash equivalents. If the original maturity exceed ninety days, they are classified as investments.

Investments are stated at cost, which approximates market.

7. Accumulated Unpaid Vacation and Sick Pay

The Board accrues its liability for earned, but unpaid vacation and sick pay costs.

**LOUISIANA STATE BOARD OF BARBER EXAMINERS
NOTES TO FINANCIAL STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Revenues and Expenses

Operating revenues and expenses consists of those revenues and expenses that result from the ongoing principal operations of the Board. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities.

When an expense is incurred for purposes for which there are both restricted and unrestricted net assets available, it is the Board's policy to apply those expenses to restricted net assets to the extent such are available and then to unrestricted net assets.

B. Statement of Cash Flows

For purposes of the statements of cash flows, the Board considers all currency, demand deposits and money market accounts with banks or other financial institutions to be cash equivalents.

NOTE B - LEGAL COMPLIANCE - BUDGET

The Board adopts a budget for the year. Formal budget integration is employed as a management control device during the year. All appropriations lapse at the end of the year. Budgetary amendments require the approval of the Board. The budgeted amounts are not reflected in the financial statements.

NOTE C - CASH AND CASH EQUIVALENTS

At December 31, 2000 and December 31, 2002, the Board had cash (book balances) totaling \$15,689 and \$3,893, respectively, as follows:

	December 31, 2000	December 31, 2002
Interest-bearing demand deposits	\$ 2,870	\$ 1,498
Checking account	12,819	4,397
TOTAL	\$ 15,689	\$ 5,895

**LOUISIANA STATE BOARD OF BARRER EXAMINERS
NOTES TO FINANCIAL STATEMENTS**

NOTE C - CASH AND CASH EQUIVALENTS (CONTINUED)

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank (a holding or custodial bank that is mutually acceptable to both parties). At December 31, 2003 and December 31, 2002, the Board had \$31,718 and \$11,172, respectively, in deposits/collected bank balances. These entire balances are secured from risk by federal depository insurance.

NOTE D - CERTIFICATES OF DEPOSIT

At December 31, 2003 and December 31, 2002, the Board had investments consisting of a time certificate of deposit with an original maturity of over 90-days. These amounts are secured from risk by federal deposit insurance.

At December 31, 2003 and December 31, 2002, the investments' amortized costs and market values were \$118,858 and \$118,842, respectively.

NOTE E - CHANGES IN AMOUNTS INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT

The change in amounts invested in capital assets, net of related debt can be summarized as follows:

Balance, January 1, 2002	\$ 2,207
Change in capital assets	<u>757</u>
Balance, December 31, 2002	2,964
Change in capital assets	<u>(1,218)</u>
Balance, December 31, 2003	<u>\$ 1,746</u>

**LOUISIANA STATE BOARD OF BARBER EXAMINERS
NOTES TO FINANCIAL STATEMENTS**

NOTE F - COMPENSATED ABSENCES

Non-current liabilities consist of compensated absences. The following is a summary of the long-term obligation transactions during the year ended December 31, 2003.

Balance, December 31, 2001	\$	3,621
Additions		4,426
Reductions		
Balance, December 31, 2002		8,047
Additions		1,413
Reductions		<u> </u>
Balance, December 31, 2003	\$	<u>9,460</u>

NOTE G - PENSION PLAN

All full-time employees of the Board are members of the Louisiana State Employees Retirement System ("System"), a multiple-employer (cost-sharing), public employee retirement system (PERS) controlled and administered by a separate board of trustees. Contributions of participating agencies are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

All full-time employees are eligible to participate in the System. Benefits vest with ten years of service. At retirement age, employees are entitled to annual benefits equal to \$200 plus 2.5 percent of their highest consecutive 36 months average salary multiplied by their years of credited service. Vested employees may retire at (a) any age with thirty years of service, (b) age 55 with twenty-five years of service, or (c) at age 60 with ten years of service. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues stand-alone financial statements that may be obtained at Post Office Box 44213, Baton Rouge, Louisiana, 70894.

**LOUISIANA STATE BOARD OF BARBER EXAMINERS
NOTES TO FINANCIAL STATEMENTS**

NOTE G - PENSION PLAN (CONTINUED)

In addition to the employee contributions of 7.5 percent of gross salary, the Board contributes an additional 12.4 percent of gross salary to the System. Contributions to the System were funded through employee contributions of \$16,424, \$8,877, and \$5,667 and employee contributions of \$10,648, \$5,801 and \$8,445 respectively, for the years ended December 31, 2001, December 31, 2002, and December 31, 2003. The total payroll of the Board for the years ended December 31, 2003, December 31, 2002 and December 31, 2001 was \$161,521, \$158,535 and \$125,039 respectively. Under present statutes, the Board does not guarantee any of the benefits of the System.

NOTE H - LEASES

The Board leases office space for \$1,000 per month. This lease is considered for accounting purposes to be an operating lease which expires August 31, 2007. Rent expenditures was \$12,000 for the year ended December 31, 2003 and December 31, 2002.

Future minimum lease payments for this lease are as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2004	\$ 12,000
2005	12,000
2006	12,000
2007	8,000

NOTE I - LITIGATION

There were no judgments, claims or similar contingencies pending against the Board at December 31, 2003.

NOTE J - PER DIEM PAID TO BOARD MEMBERS

The Board members are paid a per diem of \$100 for each day's attendance at a board meeting or at an examination. The total amount of per diem for the period ended December 31, 2003 and December 31, 2002 is \$13,700 and \$17,500, respectively.

**LOUISIANA STATE BOARD OF BARBER EXAMINERS
NOTES TO FINANCIAL STATEMENTS**

NOTE K -- CHANGES IN PROPERTY, PLANT & EQUIPMENT

	Balance 12/31/2001			Balance 12/31/2002			Balance 12/31/2003		
	Balance	Additions	Deletions	Balance	Additions	Deletions	Balance	Additions	Deletions
Equipment	\$ 1,206	\$ 2,578	\$ -	\$ 9,174	\$ -	\$ -	\$ 10,174	\$ -	\$ -
Accumulated Depreciation	<u>(1,499)</u>	<u>(4,818)</u>	<u>-</u>	<u>(1,142)</u>	<u>(1,211)</u>	<u>-</u>	<u>(8,257)</u>	<u>-</u>	<u>-</u>
Investment in Capital Assets	<u>\$ 1,206</u>	<u>\$ 257</u>	<u>\$ -</u>	<u>\$ 1,964</u>	<u>\$ (1,211)</u>	<u>\$ -</u>	<u>\$ 1,754</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE L - POST RETIREMENT HEALTH CARE & LIFE INSURANCE BENEFITS

Substantially all Barber Examiners employees become eligible for post employment health care, dental, and life insurance benefits if they reach normal retirement age while working for the Barber Examiners. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the Barber Examiners. For 2003, the cost of providing benefits for the 4 retirees totaled \$11,791.

The Barber Examiners provides certain continuing health care and life insurance benefits for the retired employees. Substantially all Barber Examiners employees become eligible for these benefits if they reach normal retirement age while working for the Barber Examiners. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the Barber Examiners. The Barber Examiners recognizes the cost of providing these benefits (BT-A's) portion of premiums as an expenditure when paid during the year, which was \$12,791 for the year ended December 31, 2003.



SUPPLEMENTARY INFORMATION

SCHEDULE 1

LOUISIANA STATE BOARD OF BARBER EXAMINERS
 DEPARTMENT OF LABOR
 STATE OF LOUISIANA
 SCHEDULE OF BOARD MEMBERS' PER DIEM
 TWO YEARS ENDED DECEMBER 31, 2003

	Years Ended December 31,	
	2003	2002
James Adams	\$ 7,100	\$ 5,600
Gerald Bress	1,600	2,400
Bobbie Favaron	3,700	3,700
Jessie Hardy	2,400	2,800
Lebanon Westensby-Lott	1,500	500
Scott Vice	400	
Genie Ned		2,000
	<u>\$ 15,700</u>	<u>\$ 17,300</u>

OFFICE OF PUBLIC PLANNING
 1000 PINE ST., SUITE 1000
 SEASIDE, CA 92082

SCHEDULE OF REVENUES BY SOURCE
 YEAR ENDED DECEMBER 31, 2010

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
REVENUES																				
MAJOR REVENUE SOURCES																				
State general fund	15,744	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
County general fund	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
County special fund	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Local contributions	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Local contributions	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Appropriations	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Port of Seaside fee	-	-	14	-	-	-	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Equation corrections	-	-	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190
Equation corrections	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Local services	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Specialty	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enterprise	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue sharing	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Federal grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other revenues	-	-	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	50,744	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000

SCHEDULE 3

LOUISIANA STATE BOARD OF BARBER EXAMINERS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
TWO YEARS ENDED DECEMBER 31, 2003

BUDGET

1001 – FINDING NO. 1

Condition:

During the two years ended December 31, 2003, it was noted that a new revenue account was set up titled "License Differences" which was used to account for unidentified receipts.

Recommendation:

Receipts should be coded and input into the computer by charge for services. Each receipt should be identified to a specific revenue account.

Current Status:

A new software program was purchased to assist management in classifying receipts. Only small variances that are not material are noted in this account.

STATE BOARD OF BARBER EXAMINER
STATE OF LOUISIANA

ANNUAL FINANCIAL STATEMENT
DECEMBER 31, 2003

CONTENTS

AFFIDAVIT		i
Statements		
Balance Sheet		A
Statement of Revenue, Expense, and Changes in Fund Net Assets		B
Statement of Activities		C
Statement of Cash Flows		D
Notes to the Financial Statements		
A	Summary of Significant Accounting Policies	
B	Budgetary Accounting	
C	Deposits with Financial Institutions and Investments	
D	Capital Assets	
E	Inventories	
F	Restricted Assets	
G	Leases	
H	Retirement System	
I	Post-Retirement Health Care and Life Insurance Benefits	
J	Leases	
K	Long-Term Liabilities	
L	Litigation	
M	Related Party Transactions	
N	Accounting Changes	
O	In-Kind Contributions	
P	Deferred Issues	
Q	Cooperative Endorsers	
R	Government-Mandated Nonexchange Transactions (Grants)	
S	Violations of Finance-Related Legal or Contractual Provisions	
T	Short-Term Debt	
U	Dissegregation of Receivable Balances	
V	Dissegregation of Payable Balances	
W	Subsequent Events	
X	Segment Information	
Y	Due to/Due from and Transfers	
Z	Liabilities Payable from Restricted Assets	
AA	Prior-Year Restatement of Net Assets	
Schedules		
1	Schedule of Per Diem Paid Board Members	
2	Schedule of State Funding	
3	Schedules of Long-Term Debt	
4	Schedules of Long-Term Debt Amortization	
5	Schedule of Current Year Revenue and Expenses - Budgetary Comparison of Current Appropriation - Non GAAP Basis	
15	Schedule of Comparison Figures	

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending December 31, 2003

LA STATE BOARD OF BARBER EXAMINERS

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94296
Baton Rouge, Louisiana 70804-0096

Legislative Auditor
P. O. Box 94287
Baton Rouge, Louisiana 70804-0087

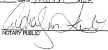
AFFIDAVIT

Personally came and appeared before the undersigned authority, James Adams, Chairman of Barber Examiners who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of Barber Examiners at December 31, 2003 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.

Sworn and subscribed before me, this 5th day of March 2004



Signature of Agency Official



NOTARY PUBLIC

Prepared by: ERIC J. VICKNAIR

Title: CPA

Telephone No.: 225-202-1040

Date: March 2, 2004

**STATE OF LOUISIANA
BARRER EXAMINERS (BTA)
BALANCE SHEET
AS OF DECEMBER 31, 2000**

ASSETS

CURRENT ASSETS:

Cash and cash equivalents (Note C)
Investments (Note D)
Receivables less allowance for doubtful receivables (E)
Due from other funds (Note F)
Due from federal government
Insurance
Prepayments
Notes receivable
Other current assets
Total current assets

\$ 126,547

NONCURRENT ASSETS:

Restricted assets (Note G)
Cash
Investments
Receivables
Notes receivable
Capital assets
Land
Buildings and improvements
Machinery and equipment
Intangibles
Compensated employees
Other noncurrent assets
Total noncurrent assets

1,740

11,200

127,287

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note H)
Due to other funds (Note I)
Due to federal government
Deferred revenues
Accounts held in custody for others
Other current liabilities
Unpaid portion of long-term liabilities:
Accounts payable
Unemployment benefits payable
Compensated employees payable (Note K)
Capital lease obligations - (Note J)
Notes payable
Liabilities payable from restricted assets (Note L)
Bonds payable
Other long-term liabilities
Total current liabilities

\$ 1,000

NONCURRENT LIABILITIES:

Deferred liabilities
Unemployment benefits payable
Compensated employees payable (Note K)
Capital lease obligations (Note J)
Notes payable
Liabilities payable from restricted assets (Note L)
Bonds payable
Other long-term liabilities
Total noncurrent liabilities

6,480

11,120

12,120

17,600

NET ASSETS:

Included in capital assets, net of related debt
Retained net:
Capital projects
Child services
Unemployment compensation
Other specific purposes
Unassigned
Total net assets
Total liabilities and net assets

10,740

12,120

176,547

The accompanying notes are an integral part of this financial statement.

STATEMENT A

STATE OF LOUISIANA
BARRER EXAMINERS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

OPERATING REVENUES	
Sales of commodities and services	_____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	_____
Other	_____
Total operating revenues	_____
OPERATING EXPENSES	
Cost of sales and services	_____
Administrative	_____
Depreciation	_____
Amortization	_____
Total operating expenses	_____
Operating income (loss)	_____
NON-OPERATING REVENUES AND EXPENSES	
State appropriations	_____
Intergovernmental revenues (expenses)	_____
Taxes	_____
Use of money and property	_____
Gain (loss) on disposal of fixed assets	_____
Federal grants	_____
Interest expense	_____
Other	_____
Total non-operating revenues (expenses)	_____
Income (loss) before contributions and transfers	_____
Capital contributions	_____
Transfers in	_____
Transfers out	_____
Change in net assets	_____
Total net assets - beginning as restated	_____
Total net assets - ending	_____

The accompanying notes are an integral part of this financial statement.

Statement 08

STATE OF LOUISIANA
 BARBERS EXAMINING
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	
Component Unit:				
Component Unit (A)	260,212	1,248,499		1,148,287
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				1,281
Miscellaneous				
Special items				
Transfers				
Total general revenues, special items, and transfers				
Change in net assets				40
Net assets - beginning				8,228
Net assets - ending				\$ 8,268

The accompanying notes are an integral part of this financial statement.

STATEMENT C

STATE OF LOUISIANA
 BARRER EXAMINERS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2003

Cash flows from operating activities		
Cash received from customers	\$ 388,463	
Cash payments to suppliers for goods and services	714,140	
Cash payments to employees for services	118,580	
Payments in lay of taxes		
Internal activity-payments to other funds		
Claims paid to subscribers		
Other operating revenues (expenses)		
Net cash provided (used) by operating activities		<u>(1,579)</u>
Cash flows from non-capital financing activities		
State appropriations		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Other		
Transfers in		
Transfers out		
Net cash provided (used) by non-capital financing activities		<u>0</u>
Cash flows from capital and related financing		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets		
Proceeds from sale of capital assets		
Capital contributions		
Other		
Net cash provided (used) by capital and related financing activities		<u>0</u>
Cash flows from investing activities		
Purchases of investment securities		
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities	1,291	
Net cash provided (used) by investing activities		<u>1,291</u>
Net increase (decrease) in cash and cash equivalents		<u>812</u>
Cash and cash equivalents at beginning of year		<u>128,828</u>
Cash and cash equivalents at end of year		<u>129,640</u>

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
 BARBER EXAMINERS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2000

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:

Operating income (loss)		\$ (1,748)
Adjustments to reconcile operating income (loss) to net cash:		
Depreciation/amortization	1,110	
Provision for uncollectible accounts	_____	
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable, net	_____	
(Increase) decrease in due from other funds	_____	
(Increase) decrease in prepayments	_____	
(Increase) decrease in inventories	_____	
(Increase) decrease in other assets	_____	
Increase (decrease) in accounts payable and accruals	(8,181)	
Increase (decrease) in accrued payroll and related benefits	_____	
Increase (decrease) in compensated absences payable	1,212	
Increase (decrease) in due to other funds	_____	
Increase (decrease) in deferred revenues	1,810	
Increase (decrease) in other liabilities	_____	
Net cash provided (used) by operating activities:		\$ (1,818)

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	_____
Contributions of fixed assets	_____
Purchases of equipment on account	_____
Asset transfers	_____
Other (justify)	_____
_____	_____
_____	_____
Total noncash investing, capital, and financing activities:	\$ _____

(Continued)

The accompanying notes are an integral part of this financial statement.

Statement 2

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statements
As of and for the year ended December 31, 2003

INTRODUCTION

The Barber Examiners was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:3411-3502. The following is a brief description of the operations of Barber Examiners which includes the parish/parishes in which the Barber Examiners.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of Barber Examiners present information only as to the transactions of the programs of the Barber Examiners as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement flow applied.

The accounts of the Barber Examiners are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration - Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Barber Examiners are annual (lump sum) appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is provided by statute with varying budget categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements include the original appropriation plus subsequent amendments as follows:

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement
As of and for the year ended December 31, 2003

APPROPRIATIONS

Original approved budget	\$	<u>117,400</u>
Amendments:		
Reclassification		<u>7,000</u>
Salaries		<u>1,000</u>
Office Supplies		<u>4,000</u>
Professional Services		<u>2,000</u>
Postage		<u>2,000</u>
All Others		<u>6,000</u>
Final approved budget	\$	<u>131,400</u>

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (if all agency cash and investments are deposited in the State Treasury, designate Note C.)

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, term and deposits, time deposits, and certificates of deposit. Under state law the Barber Examiners may deposit funds within a fiscal agent bank selected and designated by the State Emergency Board. Further, the Barber Examiners may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purposes of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities (plus the federal deposit insurance) must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer. The deposits at December 31, 2003, were secured as follows:

	Deposits in bank accounts			
	Cash	Certificates of Deposit	Other Deposited	Total
Deposits in bank accounts per balance sheet	\$ <u>15,689</u>	\$ <u>100,858</u>	\$ _____	\$ <u>116,547</u>
Bank balances				
1. Insured or collateralized with securities held by the entity or its agency (LSA-RS(3)(3)(B)(i))	<u>31,714</u>	<u>118,658</u>		<u>140,372</u>
2. Collateralized with securities held by the pledging institution's trust department or agent (LSA-RS(3)(3)(B)(ii))				
3. Uncollateralized, including any securities held for the entity (LSA-RS(3)(3)(B)(iii))				
Total bank balances	\$ <u>31,714</u>	\$ <u>100,858</u>	\$ _____	\$ <u>142,572</u>

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement

As of and for the year ended December 31, 2003

NOTE: The "Total Bank Balances" will not necessarily equal the "Deposits in Bank Account" per the Balance Sheet.

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

	<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1.	<u>Union Bank</u>	<u>Checking</u>	\$ <u>18,428</u>
2.	<u>Barclays Credit Union</u>	<u>Savings</u>	\$ <u>377</u>
3.	<u>Keosauke Bank</u>	<u>Savings</u>	\$ <u>2,092</u>
4.	<u>Various</u>	<u>TDLT</u>	\$ <u>110,801</u>
Total			\$ <u>142,378</u>

Were uncollateralized securities fitting the description in (3) above during this year significantly greater than at December 31, 2003 (last day of your fiscal year)? If yes, attach a statement listing the amount(s) and a reason for this occurrence.

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the Balance Sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the Balance Sheet.

Cash in State Treasury	\$ <u> -0-</u>
Petty cash	\$ <u> -0-</u>

2. INVESTMENTS

Upon implementation of GASB Statement 31, reported amount and fair value will often be the same number.

The **Barber Examiners** does not maintain investment accounts as authorized by **LA 48** (Note legal provisions authorizing investments by (STA)).

Investments can be classified according to the level of risk to the entity. Using the following categories, list each type of investment disclosing the carrying amount, market value, and applicable category of risk.

Category 1-Uninsured or registered in the entity's name, or securities held by the entity or its agent **(Include entity's name)**.

Category 2-Uninsured and unregistered with securities held by the counter party's trust department or agent **(Include entity's name)**.

Category 3- Uninsured and unregistered with securities held by the counter party, or by its third department or agent **(Do not include entity's name)**.

**STATE OF LOUISIANA
BARBER EXAMINERS**
Notes to the Financial Statement
As of and for the year ended December 31, 2003

Type of Investment	Category of Risk			Booked Amount	Fair Value
	1	2	3		
Repurchase agreements	_____	_____	_____	\$ _____	\$ _____
U.S. Government securities	_____	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____	_____
Commercial paper	_____	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____	_____
Other (Identify)	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
Total categorized investments	_____	\$ _____	\$ _____	\$ _____	\$ _____
Certain types of investments cannot be categorized. (List separately)					
_____				_____	_____
_____				_____	_____
_____				_____	_____
_____				_____	_____
Total investments				\$ _____	\$ _____

3. Other Disclosures Required for Investments

- a. Investments in pools managed by other governments or mutual funds: _____
- b. Securities underlying reverse repurchase agreements: _____
- c. Unrealized investment losses: _____
- d. Commitments as of _____ (fiscal date), to resell securities under yield maintenance repurchase agreements:
 1. Carrying amount and market value at December 31 of securities to be resold: _____
 2. Description of the terms of the agreement: _____
- e. Investment types owned during the year but not owned as of December 31: _____
- f. Losses during the year due to default by counter parties to deposit or investment transactions: _____
- g. Amounts recovered from prior period losses which are not shown separately on the balance sheet: _____

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement

As of and for the year ended December 31, 2003

Legal or Contractual Provisions for Reverse Repurchase Agreements

- h. Source of legal or contractual authorization for use of reverse repurchase agreements _____

- i. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements at Year-End

- j. Credit risk related to the reverse repurchase agreements outstanding at balance sheet date, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying these agreements including interest _____
- k. Commitments on _____ (fiscal close), to repurchase securities under yield maintenance agreements _____
- l. Market value on _____ (fiscal close), of the securities to be repurchased _____
- m. Description of the terms of the agreements to repurchase _____

- n. Losses recognized during the year due to default by counter parties to reverse repurchase agreements _____

- o. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures

- p. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____

- q. Basis for determining which investments, if any, are reported at amortized cost _____

- r. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____

- s. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____

- t. Any involuntary participation in an external investment pool _____

- u. Whether you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate _____

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement
As of and for the year ended December 31, 2003

- v Any income from investments associated with the fund that is assigned to another fund _____

D CAPITAL ASSETS INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government (engaged only in Business-Type Activities) are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all depreciable (fixed) assets used by the entity are charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

	For the year December 31, 2003				Total Balance 12/31/2003	Prior Period Adjustments	Adjusted Balance 12/31/2003
	Balance 12/31/02	Additions	Transfers ¹	Disposals			
Capital assets not being depreciated							
Land							
Non-depreciable land improvements							
Construction-in-progress							
Total capital assets not being depreciated							
Other capital assets							
Furniture, fixtures, and equipment	10,276				10,276		10,276
Less accumulated depreciation	2,082	1,281			3,363		6,913
Total furniture, fixtures, and equipment	8,194	1,281			6,913		1,363
Buildings and improvements							
Less accumulated depreciation							
Total buildings and improvements							
Depreciable land improvements							
Less accumulated depreciation							
Total depreciable land improvements							
Infrastructure							
Less accumulated depreciation							
Total infrastructure							
Total other capital assets	8,194	1,281			6,913		1,363
Capital Asset Summary:							
Capital assets not being depreciated							
Other capital assets, at cost	10,276				10,276		10,276
Total cost of capital assets	10,276				10,276		10,276
Less accumulated depreciation	2,082	1,281			3,363		6,913
Capital assets, net	8,194	1,281			6,913		1,363

¹ Should be used only for those completed projects coming out of construction-in-progress to fixed assets not associated with transfer reported elsewhere in this packet.

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement

As of and for the year ended December 31, 2003

E. INVENTORIES N/A

The unit's inventories are valued at _____ (method of valuation). These are perpetual inventories and are expensed when used. NOTE: Do not include postage. This must be shown as a prepayment.

F. RESTRICTED ASSETS N/A

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current assets section on Statement A, consist of \$ _____ in cash with fiscal agent, \$ _____ in receivables, and \$ _____ investment in _____ (identify the type investments held.)

G. LEAVE

1. COMPENSATED AGENCIES

The Barber Examiners has the following policy on annual and sick leave: (Describe leave policy.) Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section 380, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight four-for-four compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at December 31, 2003 (fiscal close) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section 380.106 is estimated to be \$ 0 - . The leave payable is not recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the LASERS System, a cost sharing multiple-employer, defined benefit pension plan. This System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months average salary multiplied by their years of credited service.

**STATE OF LOUISIANA
BARBER EXAMINERS**

Note to the Financial Statement

As of and for the year ended December 31, 2003

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Employees Retirement System, Post Office Box #4213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 822-8908 or (800) 258-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the is required to contribute at an actuarially determined rate as required by R.S. 11:103. The contribution rate for the fiscal year ended December 31, 2003 increased to 18.8% of annual covered payroll from the 14.1% and 12.4% required in fiscal years ended December 31, 2002 and 2001, respectively. The Barber Examiners contributions to the System for the years ending December 31, 2003, 2002, and 2001, were \$16,424, \$70,840, \$8,648 the required contributions for each year.

1. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

GAAP 12 requires the following disclosure about an employer's accounting for post retirement health care and life insurance benefits:

1. A description of the benefits provided and the employee group covered.
2. A description of the accounting and funding policies followed for those benefits.
3. The cost of those benefits recognized for the period, unless the costs are not readily determinable.
4. The effect of significant markets affecting the comparability of the costs recognized for all periods presented.

"If the cost of any post-retirement health care or life insurance benefits cannot readily be separated from the cost of providing such benefits for active employees or otherwise be reasonably approximated, the total cost of providing those benefits to active employees and retirees, as well as the number of active employees and the number of retirees covered by the plan must be disclosed.

Substantially all Barber Examiners' employees become eligible for post-employment health care, dental and life insurance benefits if they reach normal retirement age while working for the Barber Examiners. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employees and the Barber Examiners. For 2003, the cost of providing those benefits for the 4 retirees totaled \$ 12,791.

The Barber Examiners provides certain continuing health care and life insurance benefits for its retired employees. Substantially all Barber Examiners' employees become eligible for those benefits if they reach normal retirement age while working for the Barber Examiners. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employees and by the Barber Examiners. The Barber Examiners recognizes the cost of providing those benefits (BTA's portion of premiums) as an expenditure when paid during the year, which was \$12,791 for the year ended December 31, 2003.

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement
As of and for the year ended December 31, 2003

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year 2003 amounted to \$ 18,081. A schedule of payments for operating leases follows:

Nature of lease						FY2008	FY2014
	FY2004	FY2005	FY2006	FY2007	FY2008	2013	2018
Office space	\$ 12,000	\$ 12,000	\$ 12,000	\$ 8,008	\$	\$	\$
Equipment	6,081						
Total	\$ 18,081	\$ 12,000	\$ 12,000	\$ 8,008	\$	\$	\$

2. CAPITAL LEASES - N/A

Capital leases are (are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 3, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedule:

Capital leases are defined as an arrangement in which any of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

SCHEDULE A - TOTAL AGENCY CAPITAL LEASES EXCEPT LEAS

Nature of lease	Class Amount of Leased Asset (Historical Cost)	Remaining leased to end of lease	Remaining principal to end of lease
a. Office space	_____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest:

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement

As of and for the year ended December 31, 2003

Year ending June 30,	Total
2004	\$ _____
2005	_____
2006	_____
2007	_____
2008	_____
2009-2013	_____
2014-2018	_____
2019-2023	_____
Total minimum lease payments	_____ 0
Less amounts representing executory costs	_____
Net minimum lease payments	_____ 0
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ 0

SCHEDULE B - NEW AGENCY CAPITAL LEASES EXCEPT LEASE

Description of lease	Gross Amount of Leased Asset (Historical Costs)	Remaining Interest to end of lease	Remaining principal to end of lease
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ 0	\$ _____ 0	\$ _____ 0

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest:

Year ending June 30,	Total
2004	\$ _____
2005	_____
2006	_____
2007	_____
2008	_____
2009-2013	_____
2014-2018	_____
2019-2023	_____
Total minimum lease payments	_____ 0
Less amounts representing executory costs	_____
Net minimum lease payments	_____ 0
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ 0

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement

As of and for the year ended December 31, 2003

SCHEDULE C - LEASE CAPITAL LEASES

Years of lease	Gross Amount of Leased Asset (Historical Cost)	Remaining Interest to end of lease	Remaining principal to end of lease
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest:

Year ending June 30,	Total
2004	\$ _____
2005	_____
2006	_____
2007	_____
2008	_____
2009-2013	_____
2014-2018	_____
2019-2023	_____
Total minimum lease payments	_____ \$
Less amounts representing executory costs	_____
Net minimum lease payments	_____ \$
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____

3. LESSOR DIRECT FINANCING LEASE N/A

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectibility of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

STATE OF LOUISIANA
BARBER EXAMINERS
 Notes to the Financial Statement

As of and for the year ended December 31, 2003

Provide a general description of the direct financing agreement, and complete the chart below:

Character of lease	Date of lease	Minimum lease Payment receivable
a. Office space	_____	\$ _____
b. Equipment	_____	_____
c. Land	_____	_____
Less amounts representing obligatory costs		_____
Minimum lease payment receivable		_____ \$
Less allowance for doubtful accounts		_____
Net minimum lease payments receivable		_____ \$
Less: Estimated Residual Value of Leased Property		_____
Less: assumed income		_____
Net investment in direct financing lease		\$ _____ \$

Minimum lease payments do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if for example the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2003 were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year):

Year ending _____	
2004	\$ _____
2005	_____
2006	_____
2007	_____
2008	_____
2009-2013	_____
2014-2018	_____
2019-2020	_____
Total	\$ _____ \$

4 LESSOR - OPERATING LEASE N/A

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records net revenues as they become measurable and available.

STATE OF LOUISIANA
BARBER EXAMINERS
 Notes to the Financial Statement

As of and for the year ended December 31, 2003

Provide the cost and carrying amount, if different, of property (or lease or held for lease) organized by major class of property and the amount of accumulated depreciation as of 12/31/03

	Cost	Accumulated Depreciation	Carrying amount
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ <u>0.5</u>	\$ <u>0.3</u>	\$ <u>0.2</u>

The following is a schedule by years of minimum future rentals on non-cancelable operating lease(s) as of 12/31/03 (the last day of your fiscal year)

Year Ended June 30,	Office Space	Equipment	Land	Other	Total
2004	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2005	_____	_____	_____	_____	_____
2006	_____	_____	_____	_____	_____
2007	_____	_____	_____	_____	_____
2008	_____	_____	_____	_____	_____
2009-2013	_____	_____	_____	_____	_____
2014-2019	_____	_____	_____	_____	_____
2020-2023	_____	_____	_____	_____	_____
Total	\$ <u>0.5</u>	\$ <u>0.3</u>	\$ <u>0.3</u>	\$ <u>0.3</u>	\$ <u>0.2</u>

Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement
As of and for the year ended December 31, 2003

K LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended December 31, 2003:

	Year ended December 31, 2003				Amounts due within one year
	Balance on December 31, 2002	Additions	Reductions	Balance on December 31, 2003	
Bonds and notes payable:					
Notes payable	\$	\$	\$	\$	\$
Reimbursement contracts payable					
Bonds payable					
Total notes and bonds					
Other liabilities:					
Contracts payable					
Compensated absences payable	8,647	1,413		9,460	
Capital lease obligations					
Liabilities payable from restricted assets					
Claims and litigation					
Other long-term liabilities					
Total other liabilities	8,647	1,413		9,460	
Total long-term liabilities	8,647	1,413		9,460	

A detailed summary, by issue, of all debt outstanding at December 31, 2003, including outstanding interest of \$ _____ is shown on schedule 4. Schedule 5 is an amortization schedule of the outstanding debt. (Send a copy of the amortization schedule for any new debt issued.)

L LITIGATION N/A

1. The _____ (RTA) is a defendant in litigation seeking damages as follows:

Date of Action	Description of Litigation	Primary Attorney	Damages Claimed	Insurance Coverage
_____	_____	_____	\$ _____	_____
_____	_____	_____	\$ _____	_____
_____	_____	_____	\$ _____	_____
Totals			\$ _____	_____

The _____ (RTA)'s legal advisor estimates that potential claims not covered by insurance would affect the financial statement as follows (would not materially affect the financial statements or is unable to estimate the effect on the financial statement):

2. Claims and litigation costs of \$ _____ were incurred in the current year and are reflected in the accompanying financial statement.

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement
As of and for the year ended December 31, 2000

M. RELATED PARTY TRANSACTIONS NA

(FASB #7 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions.)

N. ACCOUNTING CHANGES NA

Accounting changes made during the year involved a change in accounting _____ (principle, estimate, error or entry). The effect of the change is being shown in _____.

O. IN-KIND CONTRIBUTIONS NA

(List all in-kind contributions that are not included in the accompanying financial statements.)

In-Kind Contributions	Cost	Estimated Cost	Fair Market Value	As Determined by the Donor
_____	\$	_____		
_____		_____		
_____		_____		
_____		_____		
_____		_____		
Total	\$	_____		\$

P. DEFEASED ISSUES NA

In _____, _____ the _____ (BTA), issued \$ _____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$ _____, plus an additional \$ _____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$ _____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$ _____.

Q. COOPERATIVE ENDEAVORS NA

LRS 333622 defines cooperative endeavors as any form of economic development assistance between and among the state of Louisiana, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The state of Louisiana has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of

**STATE OF LOUISIANA
BARBER EXAMINERS**

Notes to the Financial Statement

As of and/or for the year ended December 31, 2003

The _____ (BTA) uses a revolving line of credit to finance its bonds prior to the issuance of related

bonds.

Short-term debt activity for the year ended December 31, 2003, was as follows:

	Reason for Debt	Beginning Balance	Drawn	Repayment	Ending Balance
Line of credit		\$ _____	\$ _____	\$ _____	\$ _____

LI. DEGRADATION OF RECEIVABLE BALANCES N/A

Receivables at December 31, 2003, were as follows:

Activity	Customer Receivables	Taxes	Receivables from other Government's	Other Receivables	Total Receivables
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
					\$ _____
Gross receivables	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Less allowance for uncollectible accounts	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Receivables, net	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Amounts not scheduled for collection during the subsequent year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

LV. DEGRADATION OF PAYABLE BALANCES

Payables at December 31, 2003, were as follows:

Activity	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
Operating	\$ 3,210	\$ 10	\$ _____	\$ 447	\$ 3,667
Total payables	\$ 3,210	\$ 10	\$ _____	\$ 447	\$ 3,667

W. SUBSEQUENT EVENTS N/A

(Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.)

STATE OF LOUISIANA
BARBER EXAMINERS
SCHEDULE OF STATE FUNDING
FOR THE YEAR-ENDED: DECEMBER 31, 2025

Description of Funding	Amount
1. _____	\$ _____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ _____

SCHEDULE 2

**STATE OF LOUISIANA
BARBER EXAMINERS
SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2003**

Fiscal Year Ending	Principal	Interest
2004	\$ _____	\$ _____
2005	_____	_____
2006	_____	_____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
Total	\$ _____	\$ _____

STATE OF LOUISIANA
BARBER EXAMINERS
SCHEDULE OF CAPITAL LEASE AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2003

Fiscal Year Ending	Expense	Interest	Expical	Balance
2004	\$ _____	\$ _____	\$ _____	\$ _____
2005	_____	_____	_____	_____
2006	_____	_____	_____	_____
2007	_____	_____	_____	_____
2008	_____	_____	_____	_____
2009-2010	_____	_____	_____	_____
2011-2012	_____	_____	_____	_____
2013-2020	_____	_____	_____	_____
2021-2028	_____	_____	_____	_____
Total	\$ _____	\$ _____	_____	_____

STATE OF LOUISIANA
 BOARD OF BARREN EXAMINERS
 SCHEDULE OF NOTES PAYABLE AMORTIZATION
 FOR THE YEAR ENDED DECEMBER 31, 2003

Fiscal Year Ending	Principal	Interest
2003	\$ _____	\$ _____
2004	_____	_____
2005	_____	_____
2006	_____	_____
2007	_____	_____
2008-2012	_____	_____
2013-2017	_____	_____
2018-2022	_____	_____
2023-2027	_____	_____
Total	\$ _____	\$ _____

**STATE OF LOUISIANA
BARBER EXAMINERS**
**SCHEDULE OF BONDS PAYABLE AMORTIZATION
 FOR THE YEAR ENDED DECEMBER 31, 2003**

Fiscal Year Ending	Principal	Interest
2004	\$ _____	\$ _____
2005	_____	_____
2006	_____	_____
2007	_____	_____
2008	_____	_____
2009	_____	_____
2010	_____	_____
2011	_____	_____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016	_____	_____
2017	_____	_____
2018	_____	_____
2019	_____	_____
2020	_____	_____
2021	_____	_____
2022	_____	_____
2023	_____	_____
2024	_____	_____
2025	_____	_____
2026	_____	_____
2027	_____	_____
2028	_____	_____
Total	\$ _____	\$ _____

STATE OF LOUISIANA
BARBER EXAMINERS

SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS

DECEMBER 31, 2003

Budgeted Income (Loss)	_____
Reconciling Items:	
Cash carryover	_____
Depreciation	_____
Payroll accrual	_____
Compensated absences adjustment	_____
Capital outlay	_____
Change in Inventory	_____
Bad debts expense	_____
Prepaid expenses	_____
Principal payment	_____
Loan Principal Repayments included in Revenue	_____
Loan Disbursements included in Expenses	_____
Accounts receivable adjustment	_____
Accounts payable/estimated liabilities adjustment	_____
Other	_____
Change in Net Assets	\$ _____

Continued

S T A T E O F V I R G I N I A
B A R R E R T A X P A Y E R S

SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSE
SUBJECT TO COMPARISON OF CURRENT APPROPRIATION
FOR-CLAP BASIS

DECEMBER 31, 2003

Financial Statement	Adjustments	Rate Appropriation FISCAL 0001-0001-0003	Revised Budget	Variance Positive (Negative)
Operating Revenue	\$	\$	\$	\$
Intergovernmental Revenues	310,000	-	310,000	-
Sales of Commodities and Services	5,000	-	5,000	-
Other	-	-	707	707
Total Operating revenues	315,000	-	315,707	707
Operating Expenses	\$	\$	\$	\$
Personal services	40,000	-	40,000	-
Total	40,000	-	40,000	-
Contracting Services	37,000	-	37,000	-
Supplies	20,000	-	20,000	-
Professional services	30,000	-	30,000	-
Capital outlay	-	-	-	-
Emergency reserves	-	-	-	-
Other charges	-	-	-	-
Total Operating Expenses	127,000	-	127,000	-
Nonoperating Expenses	-	-	-	-
Use of Money and Property	-	-	-	-
Gain (Loss) on Disposal of Fixed Assets	-	-	-	-
Interest Charges	-	-	-	-
Interest Expense	-	-	-	-
Other	-	-	-	-
Total Nonoperating Expenses	-	-	-	-
Capital Contributions	-	-	-	-
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
Change in Net Assets	440	-	(70,293)	(70,733)

Continued

Schedule B

**STATE OF LOUISIANA
BARDER EXAMINERS**

COMPARISON FIGURES

To assist OSFAP in determining the reason for the change in financial position for the state and reason for the changes in the budget, please complete the schedule below. If the change is greater than 1.0%, explain the reason for the change.

	2002	2003	Difference	Percentage Change
1) Revenues	\$ 285,888	\$ 321,828	\$ 37,940	13.3
Expenses	288,213	288,632	419	.1

2) Capital assets

Long-term debt				
Net Assets				
Explanation for change:	_____			

3)

	2003 Original Budget	2003 Final Budget	Difference	Percentage Change
Revenues	\$ 331,708	\$ 334,280	\$ 2,572	0.8
Expenditures	327,408	343,480	16,072	4.9

Explanation of change: _____

	2003 Final Budget	2003 Actual	Difference	Percentage Change
Revenues	334,280	350,656	16,376	4.9
Expenditures	343,480	285,213	58,267	17.0

Explanation of change: _____

Information for Note C: "Deposits with Financial Institutions and Investments"

Purpose:

Note C provides the required disclosures about the governmental entities' deposits with financial institutions and investments. The disclosures required for deposits and investments as of the balance sheet date provides information about the credit risk and market risk of the deposits and investments and are designed to provide users of the financial statements information about the potential for losses associated with the deposits and investments.

1. Comparison of amounts disclosed for GASB 3 requirements in Note C to amounts shown on the Balance Sheet.

Generally, the amounts of cash and investments on the balance sheet will not be classified exactly the way they would be classified in Note C.

"Deposits with Financial Institutions" and "Investments" in Note C may be reported on the balance sheet using titles or line items that are different than those in Note C, or there may be combinations of titles or line items. For instance, "Deposits" in Note C may come from several line items on the balance sheet such as "Cash in Bank" and "CDs", or even "Investments" (See section I below that gives further guidance on what should be considered "Deposits" in note C).

Line items on the balance sheet may include amounts that would be deposits in Note C, and may also include amounts that would be investments in Note C. Also, cash and cash equivalents line items on the balance sheet may include amounts that are not deposited in bank accounts of the entity and therefore would not be reported in Note C at all, such as petty cash, cash on hand, and treasury cash.

Each line item on the balance sheet that involves cash or investments, including any restricted cash and/or investments, needs to be analyzed to determine what is included in the item and how it should be disclosed in Note C.

There is not a requirement to provide a reconciliation between Note C disclosures and the amounts on the balance sheet, but preparing one could be useful. If a reconciliation is prepared, the total of the balance sheet cash, cash equivalents, and investments line items should equal the total of the deposits and investments in Note C (unless the balance sheet cash includes cash not deposited in bank accounts as mentioned above).

- II. "Deposits with Financial Institutions" section of Note C.

Generally, this section of the GASB 3-disclosure, previously titled "Cash and Cash Equivalents", refers to the various examples of "Deposits With Financial Institutions" (See A, for examples). The term "cash and cash equivalents" is used in reference to GASB Statement 9 that affects presentation for the balance sheet and statement of cash flows, not the note disclosures required by GASB Statement 3. "Deposits with Financial Institutions" include deposit accounts in banks, savings and loan associations, and credit unions. They can be demand, savings, or time accounts, including negotiable order of withdrawal (NOW) accounts and non-negotiable CDs. As stated previously, deposits for GASB 3 disclosure may be a combination of balance sheet line items or titles.

Do not include treasury cash, petty cash not in a bank account, or cash on hand in Note C. If a reconciliation of Note C and the balance sheet is prepared as mentioned previously, these amounts would be reconciling items.

A. Examples and/or definitions:

1. **Nonnegotiable Certificates of Deposit** - Nonnegotiable CDs are time deposits that are placed by depositors directly with financial institutions and generally are subject to a penalty if redeemed before maturity. These are treated as deposits for GASB 3 Note disclosures. (Negotiable CDs) are securities that are normally sold in \$1 million units that are traded in a secondary market. These are treated as investments for GASB 3 Note Disclosures.)
2. **Money Market Accounts** - financial institution "money market" accounts are simply deposits that pay interest at a rate set to make the accounts competitive with money market mutual

- funds. They should be treated like any other deposit account for GASB 3 Note disclosures.
3. **Bank Investment Contracts (BICs)** - A BIC is a general obligation instrument issued by a bank, typically to a pension plan, that provides for a guaranteed return on principal over a specified period. Since these are issued by a bank, they are treated as deposits for GASB 3 Note disclosures.

B. Other definitions as applied to deposits:

1. **Insured (insured)** - deposits are insured by federal deposit insurance (FDIC), state deposit insurance, multiple financial institution collateral pools that insure public deposits, and even commercial insurance (if scope of coverage would be substantially the same as FDIC).
2. **Collateral** - Security pledged by a financial institution to a government entity for its deposits.

111. "Investments" section of Note C

Investments for GASB 3 requirements are either "categorized as to level of credit risk" or "not categorized", and are generally classified by whether they fit the definition of securities or not (see the definition of securities in section W.C.).

A. Types of investments that can be categorized as to level of risk & definitions/ examples: (in general, investments that fit the definition of securities are categorized in categories of risk.)

1. **Repurchase Agreements** - An agreement in which a governmental entity (buyer/lender) transfers cash to a broker-dealer or financial institution (seller/borrower), the broker-dealer or financial institution transfers securities to the entity and promises to repay the cash plus interest in exchange for a) the same securities, or for b) different securities.
2. **U.S. Government Obligations** - examples include Treasury bills, Treasury notes and Treasury strips, obligations of certain U.S. Government Agencies such as FHFA, FHLB, or SLMA.
3. **Common and Preferred Stock** - a security that represents an ownership interest in an entity.
4. **Commercial Paper** - An unsecured promissory note issued primarily by corporations for a specific amount and maturing on a specific day. Almost all commercial paper is rated as to credit risk by rating services.
5. **Corporate Bonds**
6. **Other** - It is not appropriate to present material amounts of investments as "Other", unless the narrative of the note disclosure describes the composition of the "Other" category.
 - a. **Closed-end Mutual Fund** - The investment company sells shares of its stock to investors and it invests on the shareholders' behalf in a diversified portfolio of securities. A closed-end mutual fund has a constant number of shares, the value depends on the market supply and demand for the shares rather than directly on the value of the portfolio, the fund does issue certificates, and the securities are traded on a stock exchange.

B. Types of investments that cannot be categorized as to level of risk: (in general, investments that are not securities are not classified in categories of credit risk)

1. **Reverse Repurchase Agreements** - An agreement in which a broker-dealer or financial institution (buyer/lender) transfers cash to a governmental entity (seller/borrower), the entity transfers securities to the broker-dealer or financial institution and promises to repay the cash plus interest in exchange for a) the same securities, or for b) different securities.
2. **Open-end Mutual Funds** - The investment company sells shares of its stock to investors and it invests on the shareholders' behalf in a diversified portfolio of securities. In contrast to a closed-end mutual fund, the open-end mutual fund creates new shares to meet investor demand, the value depends directly on the value of the portfolio, the fund does not issue certificates but sends out periodic statements showing account activity. These investments are not evidenced by securities that exist in physical or book entry form.
3. **Investments in assets managed by another government** - GASB 3 does not require the investment to be categorized as to level of risk, but it does not prohibit it either. Generally, these investments would not be categorized because they are not evidenced by securities that exist in physical or book entry form.

4. Private placements, such as venture capital and limited partnerships
5. Investments in real estate, annuity contracts, and direct investments in mortgages

IV. Categories of Credit Risk for Deposits and Investments:

Deposits and investments are subject to several types of risks, mainly credit risk and market risk.
Credit risk - defined as the risk that a counterparty to an investment transaction will not fulfill its obligations and can be associated with the issuer of securities, with a financial institution holding deposits, or with a party holding investment or collateral securities.
Market risk - defined as the risk that the market value of investment securities, collateral securities protecting a deposit, or securities of a repurchase agreement will decline.
Credit risk categories - concerned with custodial credit risk, which is the risk that a government will not be able (1) to recover deposits if the depository financial institution fails or (2) to recover the value of investment or collateral securities that are in the possession of an outside party if the counterparty to the investment or deposit transaction fails.

- A. Deposits are classified into three categories depending on whether they are insured or collateralized, and who holds the collateral and how the collateral is held.**
Collateral - Securities pledged by the financial institution for the purpose of securing the governmental entity's deposits.
Collateralized - When the entity's deposits are secured with securities pledged by the financial institution holding the deposits.

- Category 1** - Deposits that are covered by insurance (FDIC) or collateralized with securities that are held by the entity in the entity's name or registered in the entity's name.
Category 2 - Deposits that are not insured but are collateralized with securities that are held by the financial institution's trust department or agent and are in the entity's name.
Category 3 - Deposits that are not covered by insurance and also are not collateralized. Not collateralized includes when the securities are held by the financial institution's trust department or agent and they are not in the entity's name.

- B. Investments are classified into three categories depending on whether they are insured or registered, and who holds the securities and how they are held.**
Category 1 - Investments that are insured (SIPC) or registered in the entity's name, or securities held by the entity or agent in the entity's name.
Category 2 - Investments that are not insured or registered, and the securities are held by the counterparty's trust department or agent in the entity's name.
Category 3 - Investments that are not insured or registered, and the securities are held by the counterparty or its trust department or agent not in the entity's name.

- C. Securities as applied to the credit risk categories.**
Securities - a transferable financial instrument that evidences ownership or creditor ship. Securities can be in either paper or book-entry form.

1. Examples of securities that are often held by or pledged to (as collateral) governmental entities include:
 - a. treasury bills, treasury notes, treasury bonds
 - b. federal agency obligations
 - c. corporate debt instruments (including commercial paper)
 - d. corporate equity instruments
 - e. negotiable CDs (keyword here is negotiable)
 - f. bankers' acceptances
 - g. shares of closed-end mutual funds (keyword here is closed-end)
 - h. shares of unit investment trusts
2. Instruments or investments that are not securities include: (These instruments or investments

would therefore not be categorized as to-credit risk for (GAAP-3) disclosure requirements)

- a. investments made directly with another party (such as limited partnerships)
- b. real estate
- c. direct investments in mortgages and other loans
- d. investments in open-ended mutual funds (keyword here is open-ended)
- e. pools managed by other governments
- f. annuity contracts
- g. guaranteed investment contracts