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**WASHINGTON PARISH TOURISM COMMISSION**  
(A Component Unit of the Washington Parish Government)

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**General-Purpose Financial Statements and  
Independent Auditor's Reports**

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**Year Ended December 31, 2003**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5.12.04

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**RICHARD M. SEAL**  
CERTIFIED PUBLIC ACCOUNTANT • CERTIFIED GOVERNMENT FINANCIAL MANAGER

**WASHINGTON PARISH TOURISM COMMISSION**  
(A Component Unit of the Washington Parish Government)  
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December 31, 2003

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# RICHARD M. SEAL

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CERTIFIED PUBLIC ACCOUNTANT ◦ CERTIFIED GOVERNMENT FINANCIAL MANAGER

## INDEPENDENT AUDITOR'S REPORT ON THE GENERAL-PURPOSE FINANCIAL STATEMENTS

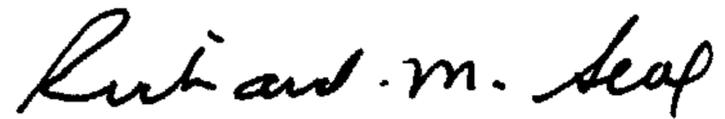
To the Board of Directors  
Washington Parish Tourism Commission  
Bogalusa, Louisiana

I have audited the accompanying general-purpose financial statements of the Washington Parish Tourism Commission, a component unit of the Washington Parish Government, as of and for the year ended December 31, 2003, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Washington Parish Tourism Commission's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Washington Parish Tourism Commission, as of December 31, 2003, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated March 25, 2004 on my consideration of the Washington Parish Tourism Commission's internal control over financial reporting and my tests of compliance with certain provisions of laws and regulations.

Handwritten signature of Richard M. Seaf in cursive script.

Certified Public Accountant

Bogalusa, Louisiana  
March 25, 2004

**WASHINGTON PARISH TOURISM COMMISSION**  
 (A Component Unit of the Washington Parish Government)  
**Combined Balance Sheet-**  
**All Fund Types and Account Groups**  
**December 31, 2003**

	General Fund	General Fixed Assets	Total (Memorandum Only)
<b>ASSETS</b>			
Cash	\$ 38,474	\$	\$ 38,474
Investments	12,000		12,000
Fixed assets		6,562	6,562
 Total assets	<b>\$ 50,474</b>	<b>\$ 6,562</b>	<b>\$ 57,036</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities:			
Accounts payable	\$ 355	\$	\$ 355
Due to Washington Parish Government	675		675
Total liabilities	1,030	-	1,030
Fund equity:			
Investment in general fixed assets		6,562	6,562
Fund balance:			
Unreserved, undesignated	49,444		49,444
Total fund balance	49,444	6,562	56,006
 Total liabilities and fund balance	<b>\$ 50,474</b>	<b>\$ 6,562</b>	<b>\$ 57,036</b>

The accompanying notes are an integral part of this statement.

**WASHINGTON PARISH TOURISM COMMISSION**  
 (A Component Unit of the Washington Parish Government)  
 Statement of Revenues, Expenditures, and Changes in  
 Fund Balance - Budget (GAAP Basis) and Actual-  
 General Fund  
 For the Year Ended December 31, 2003

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>REVENUES:</b>			
Intergovernmental:			
State hotel/motel tax	\$ 39,000	\$ 39,000	\$ -
Interest	200	261	61
Total revenue	39,200	39,261	61
<b>EXPENDITURES:</b>			
Current-			
Economic development-			
Salaries and payroll taxes	10,000	9,810	190
Travel (Commissioners)	100	-	100
Travel (Manager)	500	340	160
Professional fees	3,000	3,370	(370)
Rent	2,200	2,190	10
Advertising & promotions	2,000	917	1,083
Utilities	4,200	3,888	312
Office	1,200	556	644
Postage	800	787	13
Dues	1,000	780	220
Bank services	120	120	-
Miscellaneous	-	1,315	(1,315)
Educational seminars	150	-	150
Total expenditures	25,270	24,073	1,197
Excess (deficiency) of revenues over expenditures	13,930	15,188	1,258
Fund balance beginning of year	-	34,256	34,256
Fund balance, end of year	\$ 13,930	\$ 49,444	\$ 35,514

The accompanying notes are an integral part of this statement.

**WASHINGTON PARISH TOURISM COMMISSION**  
**(A Component Unit of the Washington Parish Government)**  
**Notes to the General-purpose Financial Statements**  
**December 31, 2003**

**INTRODUCTION**

Washington Parish Tourism Commission (the Commission) was created by the Washington Parish Government on May 26, 1992 by ordinance number 46. The Commission is governed by a seven member Board of Directors appointed by the Washington Parish Government.

The purpose of the Commission is the promotion of tourism within Washington Parish. The rights, powers, and duties of the Commission are covered in Louisiana state law R.S. 33:4574), et seq.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying general-purpose financial statements of the Commission have been prepared in accordance with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**B. REPORTING ENTITY**

As the governing authority of the Washington Parish Government (the parish government), for reporting purposes, the parish government is the financial reporting entity for the Washington Parish Tourism Commission. The financial reporting entity consists of (a) the primary government (the parish government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**WASHINGTON PARISH TOURISM COMMISSION**  
**(A Component Unit of the Washington Parish Government)**  
**Notes to the General-Purpose Financial Statements**

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Washington Parish Government for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the parish government to impose its will on that organization and/ or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the parish government.
2. Organizations for which the parish government does not appoint a voting majority but are fiscally dependent on the parish government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish government appoints the Commission's governing body and can impose its will, the Commission was determined to be a component unit of the Washington Parish Government, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Commission and do not present information on the parish government, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

The Commission uses a fund and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

**WASHINGTON PARISH TOURISM COMMISSION**  
(A Component Unit of the Washington Parish Government)  
Notes to the General-Purpose Financial Statements

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

The fund category, fund type and account group presented in the financial statements are described as follows:

**Governmental Fund**

A governmental fund is used to account for all or most of the Commission's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets.

1. **General Fund** — the general operating fund of the Commission and accounts for all financial resources.

**Account Group**

1. **General Fixed Assets Account Group** — This account group is established to account for the fixed assets of the Commission. All fixed assets are recorded at cost. No depreciation has been taken on the assets.

**D. BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the general fund. The general fund uses the following practices in recording revenues and expenditures:

**WASHINGTON PARISH TOURISM COMMISSION**  
(A Component Unit of the Washington Parish Government)  
Notes to the General-Purpose Financial Statements

**Revenues**

Revenue from the State of Louisiana is recorded as income in the year received.

**Expenditures**

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

**E. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

**F. BUDGETS**

Louisiana state law (R.S. 33:4574.2.(a) requires that the Commission submit annually to the parish government for approval a budget for its operations during the ensuing year.

The budget was adopted for the calendar year 2003 on November 21, 2002 and was amended on December 4, 2003.

**G. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

Cash includes amounts in demand deposits and interest-bearing demand deposits accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law the Commission may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**H. AUDIT**

Louisiana state law (R.S. 33:4574.2.(c) requires that the books of the Commission be audited annually by an independent certified public accountant.

**WASHINGTON PARISH TOURISM COMMISSION**  
(A Component Unit of the Washington Parish Government)  
*Notes to the General-Purpose Financial Statements*

**I. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

**J. TOTAL COLUMN ON COMBINED STATEMENT - OVERVIEW**

Total columns on combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - CASH**

All deposits of the Commission were held by a local financial institution. At December 31, 2003, the book balance of the Commission's checking account was \$38,474, and the bank balance was \$38,528. All deposits were insured by the Federal Deposit Insurance Corporation.

**NOTE 3 - INVESTMENTS**

At December 31, 2003, the Commission held investments in Certificates of Deposit in a local bank totaling \$12,000. These investments are secured by the Federal Deposit Insurance Corporation.

**NOTE 4 - DISTRIBUTIONS OF STATE HOTEL/MOTEL TAX**

A portion of the hotel/motel tax collected by the State of Louisiana is allocated and distributed to the various tourism commissions in the state. During 2003, the Commission received \$39,000 from the state.

WASHINGTON PARISH TOURISM COMMISSION  
 (A Component Unit of the Washington Parish Government)  
 Notes to the General-Purpose Financial Statements

**NOTE 5 - CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>12/31/02</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/03</u>
Office furniture and equipment	\$ <u>6,562</u>	\$ —	\$ —	\$ <u>6,562</u>
Total general fixed assets	\$ <u>6,562</u>	\$ —	\$ —	\$ <u>6,562</u>

# RICHARD M. SEAL

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CERTIFIED PUBLIC ACCOUNTANT ◦ CERTIFIED GOVERNMENT FINANCIAL MANAGER

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors  
Washington Parish Tourism Commission  
Bogalusa, Louisiana

I have audited the financial statements of Washington Parish Tourism Commission, a component unit of the Washington Parish Government, as of and for the year ended December 31, 2003, and have issued my report thereon dated March 25, 2004. I conducted my 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 Washington Parish Tourism Commission's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered Washington Parish Tourism Commission's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information of the Board of Directors, the Washington Parish Government, and the office of the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Certified Public Accountant

Bogalusa, Louisiana  
March 25, 2004

**WASHINGTON PARISH TOURISM COMMISSION**  
**(A Component Unit of the Washington Parish Government)**  
**Schedule of Findings**  
**For the Year Ended December 31, 2003**

I have audited the financial statements of Washington Parish Tourism Commission, a component unit of the Washington Parish Government, as of and for the year ended December 31, 2003, and have issued my report thereon dated March 25, 2004. I conducted my 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. My audit of the financial statements as of December 31, 2003 resulted in an unqualified opinion.

**Section I Summary of Auditor's Reports**

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material weakness  Yes  No    Reportable Conditions  Yes  No

Compliance

Compliance Material to Financial Statements  Yes  No

**Section II Financial Statement Findings**

There are no current year findings.

**WASHINGTON PARISH TOURISM COMMISSION**  
**(A Component Unit of the Washington Parish Government)**  
**Summary Schedule of Prior-Year Findings**  
**For the Year Ended December 31, 2003**

Ref No.	Fiscal Year Finding Initially Occurred	Description of Findings	Corrective Action Taken (Yes, No, Partially)
02-1	2000	State law (R.S. 39:1310) requires that the budget be amended if actual expenditures exceed budgeted expenditures by 5% or more, or if total revenues and other sources fail to meet total budgeted revenue by 5% or more.	Resolved.