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**Greater Shreveport Chamber of Commerce
Shreveport, Louisiana**

Financial Statements

**As of and for the Year Ended December 31, 2003
With Supplemental Information Schedules**

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 9-8-04

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1 – 2
Financial Statements:	
Combined Statement of Financial Position	3
Combined Statement of Activities	4
Combined Statement of Functional Expenses	5 – 6
Combined Statement of Cash Flows	7
Notes to Financial Statements	8 – 15
Combining Schedules:	
Combining Schedule of Financial Position	16
Combining Schedule of Activities	17
Report on Compliance and on Internal Control Over Financial Reporting Based on An Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	18 – 19
Summary Schedule of Audit Findings	20

COOK & MOREHART

Certified Public Accountants

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Independent Auditors' Report

To the Board of Directors
Greater Shreveport Chamber of Commerce
Shreveport, Louisiana

We have audited the accompanying combined statement of financial position of the Greater Shreveport Chamber of Commerce as of December 31, 2003, and the related combined statements of activities, functional expenses and cash flows for the year then ended. These combined financial statements are the responsibility of the Greater Shreveport Chamber of Commerce's management. Our responsibility is to express an opinion on these 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 combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Greater Shreveport Chamber of Commerce as of December 31, 2003, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2004 on our consideration of the Greater Shreveport Chamber of Commerce's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying supplemental schedules shown on pages 16-17 are presented for the purpose of additional analysis and are not a required part of the financial statements of the Greater Shreveport Chamber of Commerce. Such information has been subjected to the procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

A handwritten signature in cursive script, appearing to read "Cook & Morehart", with a long horizontal flourish extending to the right.

Cook and Morehart
Certified Public Accountants
March 9, 2004

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Financial Position
December 31, 2003
(with comparative amounts for 2002)

Assets	2003	2002
Current assets:		
Cash and cash equivalents	\$ 877,660	\$ 867,647
Grant receivable	11,442	
Other receivables	103,394	59,014
Unconditional promises to give	158,684	123,228
Note receivable - current portion		34,741
Accrued interest		3,618
Prepaid expenses	32,837	18,947
Due from other funds		585
	1,184,017	1,107,780
Noncurrent assets:		
Cash held in escrow for land development	495,000	495,000
Unconditional promises to give	288,260	
Note receivable-long term		100,939
Investment held for endowment purposes	335,607	332,752
Land held for development	1,945,796	1,931,326
Property and equipment, net	826,598	797,857
	3,891,261	3,657,874
Total Assets	\$ 5,075,278	\$ 4,765,654
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 202,390	\$ 159,572
Deferred revenue	85,417	94,461
Due to other funds		585
	287,807	254,618
Other Liabilities	495,000	495,000
Total liabilities	782,807	749,618
Net assets		
Unrestricted:		
Operating	643,148	705,775
Designated	94,424	125,144
Fixed assets	826,598	797,857
Land held for industrial park	1,945,796	1,931,326
Temporarily restricted	489,706	163,135
Permanently restricted	292,799	292,799
	4,292,471	4,016,036
Total Liabilities and Net Assets	\$ 5,075,278	\$ 4,765,654

The accompanying notes are an integral part of the financial statements.

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Combined Statement of Activities
 For the Year Ended December 31, 2003
 (with comparative amounts for 2002)

Revenues, gains, support and reclassifications:	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	
				2003	2002
Membership dues	\$ 691,057	\$	\$	\$ 691,057	\$ 718,887
Programs and projects	324,230			324,230	335,484
Rent and royalties	429,549			429,549	446,441
Grants and contracts	464,657			464,657	407,579
Publication sales	15,092			15,092	15,208
Contributions and donations	532,923	438,943		971,866	352,685
Interest and dividends	15,566			15,566	29,372
Investment return	13,034	2,856		15,890	26,938
Miscellaneous	30,930			30,930	69,666
Net assets released from restrictions					
Satisfaction of program restrictions	115,228	(115,228)			
Total revenues, gains, support and reclassification	2,632,266	326,571		2,958,837	2,402,260
Expenses:					
Supporting services					
General and administrative	675,090			675,090	666,778
Marketing and fund raising	113,870			113,870	214,500
Programs services					
Public relations	22,728			22,728	18,822
Government relations	192,822			192,822	220,332
Membership services	396,427			396,427	392,315
Economic development	1,097,148			1,097,148	966,623
Government procurement center	184,317			184,317	189,421
Total expenses	2,682,402			2,682,402	2,668,791
Change in net assets	(50,136)	326,571		276,435	(266,531)
Net assets, beginning of year	3,560,102	163,135	292,799	4,016,036	4,282,567
Net assets, end of year	\$ 3,509,966	\$ 489,706	\$ 292,799	\$ 4,292,471	\$ 4,016,036

The accompanying notes are an integral part of the financial statements.

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Combined Statement of Functional Expenses
 For the Year Ended December 31, 2003
 (with comparative amounts for 2002)

	Support Services							Program Services					Totals	
	General and Administrative	Marketing and Fund Raising	Total	Public Relations	Government Relations	Membership Services	Economic Development	Government Procurement Center	2003		2002			
Salaries and commissions	\$ 304,829	\$	\$ 304,829	\$	\$ 98,426	\$ 184,941	\$ 325,065	\$ 112,557	\$	\$ 720,989	\$ 1,025,818	\$ 1,008,885		
Payroll taxes	17,026		17,026		8,487	13,025	19,942	8,794		50,248	67,274	72,004		
Pension expense	29,711		29,711		8,758	14,318	21,165	8,284		52,525	82,236	72,559		
Other employee benefits	18,175		18,175		11,407	18,805	22,355	10,776		63,343	81,518	92,475		
Advertising	835		835			11,143	265,097			276,240	277,075	243,096		
Liability insurance	29,822		29,822							29,822	29,822	27,841		
Building rent	4,500		4,500							4,500	4,500	27,000		
Office supplies	8,990		8,990		993	1,829	1,265	1,879		5,966	14,956	19,591		
Periodicals and dues	7,996		7,996		1,935	8,803	7,222	284		18,244	26,240	28,629		
Postage	4,952		4,952		491	19,211	66	2,051		21,819	26,771	26,224		
Professional expense	14,060		14,060				115,142			115,142	129,202	137,241		
Photocopy and printing	2,965		2,965		296	29,464	10,562	719		41,041	44,006	20,830		
Travel	2,034		2,034		30,029	6,109	13,574	7,966		57,678	59,712	53,559		
Members/prospect development	877		877		11,579	1,470	85,806	7,442		85,806	86,683	112,848		
Luncheons and receptions	8,869		8,869			30	3,961			24,452	33,321	33,139		
Contract labor										30	30	833		
Equipment replacement	8,978		8,978			33	104	20,136		20,273	29,251	35,523		
Professional development	2,286		2,286		562	2,488	4,942	750		8,742	11,028	9,025		
Repairs and maintenance	23,389		23,389								23,389	6,425		
Custodial expenses	16,601		16,601								16,601	17,243		

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Functional Expenses
For the Year Ended December 31, 2003
(with comparative amounts for 2002)
(Continued)

	Support Services			Program Services					Totals	
	General and Administrative	Marketing and Fund Raising	Total	Public Relations	Government Relations	Membership Services	Economic Development	Government Procurement Center	2003	2002
Telephone	7,129		7,129		3,290	5,268	6,646	2,352	24,685	33,865
Utilities	21,558		21,558						21,558	21,885
Miscellaneous	21,613	931	22,544		16,569	21,570	44,500	327	105,510	69,378
Annual meeting expenses						43,804			43,804	42,748
Board projects	3,761		3,761						3,761	3,310
Website and electronic communications						14,116	373		14,489	14,040
Leadership programs				22,728					22,728	18,822
Women's business council	27,680		27,680						27,680	26,735
Minority business council	59,863		59,863						59,863	44,083
Special events		26,431	26,431				38,349		64,780	124,930
Reserve for bad debts		86,508	86,508				40,612		127,120	110,978
I-49 expenses							20,000		20,000	30,000
Hispanic business council	1,453		1,453						1,453	26
Science & technology council	12		12						12	3,022
Depreciation	25,126		25,126				50,400		75,526	79,999
Total expenses	\$ 675,090	\$ 113,870	\$ 788,960	\$ 22,728	\$ 192,822	\$ 396,427	\$ 1,097,148	\$ 184,317	\$ 2,682,402	\$ 2,668,791

The accompanying notes are an integral part of the financial statements.

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Statement of Cash Flows
For the Year Ended December 31, 2003
(with comparative amounts for 2002)

	2003	2002
Operating Activities		
Changes in net assets	\$ 276,435	\$ (266,531)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	75,526	79,999
Unrealized (gain) loss on investment	1,919	(8,050)
(Increase) decrease in operating assets:		
Accrued interest receivable	3,618	(284)
Grants receivable		15,896
Other receivables	(55,822)	45,517
Unconditional promises to give	(323,716)	290,560
Prepaid expenses	(13,890)	33,628
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	42,818	(74,627)
Deferred revenue	(9,044)	(71,876)
Investment return restricted for investment in endowment	(4,774)	(5,361)
Net cash provided (used) by operating activities	(6,930)	38,871
Investing Activities		
Payments received on note receivable	135,680	31,445
Payments for property and equipment	(104,267)	(8,875)
Development and other costs for land held for development	(14,470)	(21,474)
Net cash provided by investing activities	16,943	1,096
Net increase in cash and cash equivalents	10,013	39,967
Cash and cash equivalents as of beginning of year	867,647	827,680
Cash and cash equivalents as of end of year	\$ 877,660	\$ 867,647

The accompanying notes are an integral part of the financial statements.

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2003

(1) Summary of Significant Accounting Policies

A. Principles of Combination

The accompanying financial statements reflect the combined financial statements of the Greater Shreveport Chamber of Commerce (the Chamber) and all related entities as described below. The members of the Chamber elect the board of directors of the Chamber, and the Executive Committee of the Chamber serves as the board of Greater Shreveport Economic Development Foundation, Inc. Greater Shreveport Industrial Park Development Foundation, Inc. has its own separate board. The Chamber and these other entities share common facilities and personnel. Material interorganization transactions and balances have been eliminated.

B. Nature of Activities

The Greater Shreveport Chamber of Commerce – This is a nonprofit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)6 of the Internal Revenue Code. Activities within this entity are accounted for in three funds.

General fund – accounts for the general operations and activities of the Chamber.

Minority Business Council & Women’s Business Council – provide professional programs that inform women and minorities in business about current business conditions.

I-49 North Coalition – raise money to lobby for the completion of I-49 to Arkansas-Louisiana state line.

Greater Shreveport Economic Development Foundation, Inc. – This is a non-profit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code. Activities within this entity are primarily related to economic development and education.

Greater Shreveport Industrial Park Development Foundation, Inc. – This is a non-profit organization incorporated under the laws of the State of Louisiana and is exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code. Activities within this entity are primarily related to industrial park development.

C. Basis of Accounting

The financial statements of the Chamber have been prepared on the accrual basis of accounting.

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

D. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

E. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

F. Deferred Revenue

Income from membership dues and other Chamber events is deferred and recognized over the periods to which the dues and events relate.

G. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Chamber considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

H. Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period the promise to give is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

I. Investments

The Chamber carries investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

J. Property and Equipment

Property, equipment, and leasehold improvements are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is provided on the straight-line method over the remaining term of the lease or the useful life of the improvement, whichever is shorter. The Chamber has adopted a policy of capitalizing all assets with a unit value of \$1,000 or more.

K. Restricted and Unrestricted Revenue and Support

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

L. Advertising Costs

The Chamber uses advertising to promote its services among the community it serves. The costs of advertising are expensed as incurred. During 2003, advertising costs totaled \$ 277,075. The Chamber was reimbursed \$255,000 under a contract with the City of Shreveport to plan and implement a comprehensive marketing program to recruit new businesses, encourage job growth in primary growth industries, promote the entertainment industry for downtown Shreveport, and enhance the area economy.

M. Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Chamber's financial statements for the year ended December 31, 2002, from which the summarized information was derived.

N. Reclassifications

Certain accounts in the prior year financial statements have been classified for comparative purposes to conform with the presentation in the current year financial statements.

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(2) Concentrations of Credit Risk

Concentrations of credit risk with respect to promises to give are limited due to the large number of contributors comprising the Chamber's contributor base and their dispersion across different industries. As of December 31, 2003, the Chamber had no significant concentrations of credit risk in relation to promises to give.

The Chamber maintains cash balances at several financial institutions located in the Shreveport area. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. At December 31, 2003, total cash balances held at financial institutions was \$1,407,980. Of this amount, \$408,210 was secured by FDIC and the remaining \$999,770 was not insured.

(3) Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

Cash, non-interest bearing	\$ 42,227
Cash, interest bearing, daily simple interest	814,396
Certificates of deposit	<u>21,037</u>
	<u>\$ 877,660</u>

The certificate of deposit bears interest at .70% and has a maturity of 201 days, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. Therefore, the certificate of deposit is treated as a cash equivalent.

(4) Grants Receivable

The Chamber receives a federal grant that provides reimbursement of allowable costs under contract. This balance represents amounts due from the funding agency at December 31, 2003, but not received until after that date.

(5) Other Accounts Receivable

The other accounts receivable balance at December 31, 2003 is comprised of membership dues, city marketing contract, riverboat boarding fees, and other miscellaneous amounts due at December 31, 2003 but not received until after that date. The other accounts receivable are shown net of a reserve for uncollectible accounts of \$86,994.

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2003
 (Continued)

(6) Promises to Give

The Chamber began a new economic development campaign in 2003 entitled Champions for Business 2. Promises to give are restricted to payment of costs associated with economic development projects and projects supporting the economic growth of Shreveport and Northwest Louisiana.

Unconditional promises to give at December 31, 2003 as follows:

Receivable in less than one year	\$ 240,780
Less allowance for uncollectible promises	<u>(82,096)</u>
Net current	158,684
Receivable in one to five years	314,530
Less discount on promises	<u>(26,270)</u>
Net long-term	288,260
Net unconditional promises to give at December 31, 2003	<u>\$ 446,944</u>

(7) Investment Held for Endowment Purposes

Investments as of December 31, 2003 consisted of the following:

	2003	
	Fair Value	Cost
Money fund	\$ 13,089	\$ 13,089
Corporate bonds	<u>322,518</u>	<u>310,285</u>
	<u>\$ 335,607</u>	<u>\$ 323,374</u>

Investment return for the year ended December 31, 2003 was \$15,890, which consisted of \$17,808 interest and dividends and \$1,918 unrealized loss.

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2003
 (Continued)

(8) Property and Equipment

Property and equipment at December 31, 2003, with estimated depreciable life, are summarized as follows:

Land	N/A	\$ 100,000
Leasehold Improvements	30 years	1,247,382
Furniture, fixtures, equipment	5-10 years	<u>353,881</u>
		1,701,263
Accumulated Depreciation		<u>(874,665)</u>
		<u>\$ 826,598</u>

Depreciation expense for the year ended December 31, 2003 was \$75,526.

(9) Land Held For Development

This represents \$1,064,162 of land purchased in Caddo Parish to develop an industrial park, as well as \$881,634 of development expenses. A portion of the land was purchased with city, state, and parish funds through cooperative endeavor agreements that provide certain restrictions on the property's sale or transfer.

(10) Cash Held in Escrow

Cash totaling \$495,000 is restricted in accordance with an escrow agreement related to a real estate sales contract and ground lease and sale. During the term of the escrow agreement, funds will be invested in institutional money market accounts or money management account at national banks insured by the Federal Deposit Insurance Corporation. All interest paid on the deposit shall be paid annually to the Chamber. The restricted cash is to be used to make incentive payments over a five-year period based upon the creation of new jobs. The term of the escrow agreement ended January 29, 2004, with a balance of \$495,000 which had not been distributed through incentive payments. Of this amount, \$71,550 is to be disbursed to the City of Shreveport, Caddo Parish, and the State of Louisiana on or before March 1, 2015. The remaining balance of \$423,450 will be retained by the Greater Shreveport Industrial Park Development Foundation. The balance at December 31, 2003, of \$495,000 is also reflected in the other liabilities in the accompanying financial statements.

(11) Restrictions on Net Assets

Temporarily restricted net assets are available for the following purposes or periods:

For subsequent year's activities – capital campaign	\$ 446,944
Earnings on investment – endowment	<u>42,762</u>
	<u>\$ 489,706</u>

(Continued)

Greater Shreveport Chamber of Commerce
 Shreveport, Louisiana
 Notes to Financial Statements
 December 31, 2003
 (Continued)

Permanently restricted net assets consist of a donation received by the Chamber to establish and fund the J. Pat Beard Memorial Industry of the Year Award. The donor specified that the funds were to be invested by the Chamber and the annual income derived therefrom is to be used to underwrite the expenses of this annual award ceremony.

(12) Designated Net Assets

Unrestricted net assets of the Chamber at December 31, 2003 are designated for the following:

Building reserves	\$ 44,017
Equipment reserves	25,407
Community programs	<u>25,000</u>
	<u>\$ 94,424</u>

(13) Employee Benefit Plans

Effective April 1, 1999, the Chamber began participating in a 401(k) profit-sharing plan whereby the Chamber makes contributions to the Plan each year equal to 8% of participating employees compensation. Total expense for the year ended December 31, 2003, was approximately \$82,236.

(14) Operating Leases

The Chamber leases a building from the City of Shreveport requiring monthly payments of \$2,250 for thirty years with the option to renew for five successive ten year periods. The lease may be canceled at the lessor's option at any time with a partial reimbursement to the Chamber for leasehold improvements. The primary term of the lease expires in February, 2012. During 2003, the Chamber discontinued paying the monthly rent to the City in lieu of building repairs paid for by the Chamber. The Chamber will resume making monthly payments to the City in April 2005, after costs of repair work have been recouped.

The Chamber leases a phone system from Avaya requiring monthly payments of \$293 for five years. The lease payments paid on these leases for the year ended December 31, 2003 was \$ 8,511.

The future minimum lease payments under the operating leases are as follows:

2004	\$ 3,512
2005	23,762
2006	30,512
2007	28,756
2008	27,000
Thereafter	<u>83,250</u>
	<u>\$ 196,792</u>

(Continued)

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Notes to Financial Statements
December 31, 2003
(Continued)

(15) Sub-Lease Revenue

At December 31, 2003, the Chamber leases office space to a third party.

The future rental receipts for each of the five years subsequent to December 31, 2003, under existing lease agreements, are as follows:

<u>Years ending December 31,</u>	
2004	\$ 28,260
2005	28,260
2006	28,260
2007	28,260
2008	11,775
	<u>\$ 124,815</u>

Total rental revenue under the lease agreement was \$15,307 for 2003.

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Schedule of Financial Position
December 31, 2003

	General Fund	GSEDF, Inc.	GSIPDF, Inc.	Totals
Assets				
Current assets:				
Cash and cash equivalents	\$ 179,232	\$ 613,465	\$ 84,963	\$ 877,660
Grant receivable	11,442			11,442
Other receivables	66,071	37,323		103,394
Unconditional promises to give		158,684		158,684
Prepaid expenses	20,199	12,638		32,837
Total current assets	276,944	822,110	84,963	1,184,017
Noncurrent assets:				
Cash held in escrow for land development			495,000	495,000
Unconditional promises to give		288,260		288,260
Investment held for endowment purposes		335,607		335,607
Land held for development			1,945,796	1,945,796
Property and equipment, net	259,677	566,921		826,598
Total noncurrent assets	259,677	1,190,788	2,440,796	3,891,261
Total Assets	\$ 536,621	\$ 2,012,898	\$ 2,525,759	\$ 5,075,278
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued expenses	\$ 202,390	\$	\$	\$ 202,390
Deferred revenue	69,778	15,639		85,417
Total current liabilities	272,168	15,639		287,807
Other liabilities			495,000	495,000
Total liabilities	272,168	15,639	495,000	782,807
Net assets				
Unrestricted:				
Operating, undesignated	(89,648)	647,833	84,963	643,148
Operating, designated	94,424			94,424
Fixed assets	259,677	566,921		826,598
Land held for industrial park			1,945,796	1,945,796
Temporarily restricted		489,706		489,706
Permanently restricted		292,799		292,799
Total net assets	264,453	1,997,259	2,030,759	4,292,471
Total Liabilities and Net Assets	\$ 536,621	\$ 2,012,898	\$ 2,525,759	\$ 5,075,278

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Combined Schedule of Activities
For the Year Ended December 31, 2003

	General Fund	GSEDF, Inc.	GSIPDF, Inc.	Totals
Revenues, gains, and support				
Membership dues	\$ 672,253	\$ 18,804	\$	\$ 691,057
Programs and projects	275,251	48,979		324,230
Rent and royalties	19,358	410,191		429,549
Grants and contracts	432,757	31,900		464,657
Publication sales	15,092			15,092
Contributions and donations	100,703	871,163		971,866
Interest and dividends	1,405	8,362	5,799	15,566
Investment return		15,890		15,890
Miscellaneous	14,530	16,400		30,930
Total revenues, gains, and support	1,531,349	1,421,689	5,799	2,958,837
Expenses and losses:				
Supporting services				
General and administrative	675,090			675,090
Marketing and fund raising	113,870			113,870
Programs services				
Public Relations		22,728		22,728
Government relations	192,822			192,822
Membership services	396,427			396,427
Economic development	928,124	167,075	1,949	1,097,148
Government procurement center	184,317			184,317
Total expenses	2,490,650	189,803	1,949	2,682,402
Change in net assets, before transfers	(959,301)	1,231,886	3,850	276,435
Interfund Transfers:				
Operating transfers in	900,000		13,712	913,712
Operating transfers out		(913,712)		(913,712)
Change in net assets, after transfers	(59,301)	318,174	17,562	276,435
Net assets, beginning of year	323,754	1,679,085	2,013,197	4,016,036
Net assets, end of year	\$ 264,453	\$ 1,997,259	\$ 2,030,759	\$ 4,292,471

COOK & MOREHART

Certified Public Accountants

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C. BRYAN COYLE, CPA
ALICE E. S. GREEN, CPA

Report on Compliance and on Internal Control Over Financial
Reporting Based on An Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards*

To the Board of Directors
Greater Shreveport Chamber of Commerce
Shreveport, Louisiana

We have audited the financial statements of Greater Shreveport Chamber of Commerce as of and for the year ended December 31, 2003, and have issued our report thereon dated March 9, 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 Greater Shreveport Chamber of Commerce's 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 statement 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 Greater Shreveport Chamber of Commerce's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the 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 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and others within the organization 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.

A handwritten signature in black ink, appearing to read "Cook & Morehart". The signature is written in a cursive, flowing style.

Cook & Morehart
Certified Public Accountants
March 9, 2004

Greater Shreveport Chamber of Commerce
Shreveport, Louisiana
Summary Schedule of Audit Findings
December 31, 2003

Summary Schedule of Prior Audit Findings

There were no findings or management letter comments for the prior year audit for the year ended December 31, 2002.

Corrective Action Plan for Current Year Audit Findings

There are no findings or management letter comments for the current year audit for the year ended December 31, 2003.