

OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

RECEIVED
LEGISLATIVE AUDITOR

00 JAN 31 PM 1:29

rec'd

BONNE FETE 300, INC.

FINANCIAL STATEMENTS

FROM AUGUST 19, 1998 (DATE OF INCEPTION), TO JULY 31, 1999

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

Release Date 2-9-00

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	1
<u>Financial Statements</u>	
Statement of Financial Position	2
Statement of Activities and Changes in Net Assets	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
<u>Notes to Financial Statements</u>	6 - 7
<u>Report on Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards</u>	8

DAIGREPONT & BRIAN

A Professional Accounting Corporation

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Bonne Fete 300, Inc.
Baton Rouge, LA

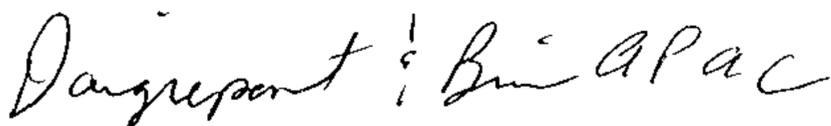
We have audited the accompanying statement of financial position of Bonne Fete 300, Inc., as of July 31, 1999 and the related statement of activities and changes in net assets, functional expenses, and cash flows for the period from inception (August 19, 1998) to July 31, 1999. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bonne Fete 300, Inc. as of July 31, 1999, and the results of its operations and cash flows for the initial period then ended in conformity with generally accepted accounting principles.

Bonne Fete 300, Inc. has not presented the disclosures required by Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, as amended by Governmental Accounting Standards Board Technical Bulletin 99-1, that the Governmental Accounting Standards Board has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, we do not provide assurance that Bonne Fete 300, Inc. is or will become year 2000 compliant, that Bonne Fete 300, Inc.'s year 2000 remediation efforts will be successful in whole or in part, or that parties with which Bonne Fete 300, Inc. does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 1999, on our consideration of Bonne Fete 300, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.



Baton Rouge, LA
December 10, 1999

BONNE FETE 300, INC.
BATON ROUGE, LOUISIANA

STATEMENT OF FINANCIAL POSITION
JULY 31, 1999

ASSETS

Current Assets

Cash and cash equivalents	\$ 3,890
Pledges receivable	11,720
Prepaid expenses	<u>613</u>
Total current assets	<u>16,223</u>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	10,695
Accrued liabilities	<u>4,500</u>
Total current liabilities	<u>15,195</u>

Net Assets

Unrestricted	<u>1,028</u>
--------------	--------------

Total Liabilities and Net Assets	<u>\$ 16,223</u>
----------------------------------	------------------

The accompanying notes are an integral part of this statement.

BONNE FETE 300, INC.
BATON ROUGE, LOUISIANA

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE PERIOD FROM AUGUST 19, 1998 (DATE OF INCEPTION), TO JULY 31, 1999

CHANGES IN UNRESTRICTED NET ASSETS

<u>Revenues and Gains</u>	
Corporate Sponsorships	\$ 588,475
Baton Rouge Area Convention and Visitors Bureau Grant	125,000
City of Baton Rouge Grant	300,000
Rental Income	183,970
Interest Income	<u>1,807</u>
Total Revenue	1,199,252
<u>Expenses</u>	
Bonne Fete	<u>1,198,224</u>
Total Revenue in Excess of Expenses	1,028
Net assets - beginning of period	<u>-</u>
Net assets - end of period	<u>\$ 1,028</u>

The accompanying notes are an integral part of this statement.

BONNE FETE 300, INC.
BATON ROUGE, LOUISIANA

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE PERIOD FROM AUGUST 19, 1998 (DATE OF INCEPTION), TO JULY 31, 1999

<u>Expenses</u>	
Advertising and Marketing	\$ 90,127
Artists Costs	393,859
Building Materials, Supplies and Construction	63,418
Catering	12,009
Commemorative Flags	10,000
Educational Outreach	10,970
Entertainer Staging and Production	158,976
Event Management	104,259
Fireworks Display	160,887
Insurance	16,191
Other	29,952
Rental Costs	25,596
Sponsor Costs	57,973
Temporary Labor	38,862
Transportation, Communications & Security	<u>25,145</u>
	<u>\$ 1,198,224</u>

The accompanying notes are an integral part of this statement.

BONNE FETE 300, INC.
BATON ROUGE, LOUISIANA

STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM AUGUST 19, 1998 (DATE OF INCEPTION), TO JULY 31, 1999

Cash Flows From Operating Activities

Cash received from corporate sponsorships	\$ 581,655
Grants received	425,000
Other operating receipts	179,070
Interest received	1,807
Cash paid to employees and vendors	<u>(1,183,642)</u>
Net cash provided by operating activities	3,890
Increase in Cash and Cash Equivalents	3,890
Cash and Cash Equivalents, Beginning of Period	<u>-</u>
Cash and Cash Equivalents, End of Period	<u>\$ 3,890</u>

The accompanying notes are an integral part of this statement.

BONNE FETE 300, INC.
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD FROM AUGUST 19, 1998 (DATE OF INCEPTION), TO JULY 31, 1999

1. Summary of Significant Accounting Policies

(a) Organization and Nature of Activities

The accompanying financial statements include the accounts of Bonne Fete 300, Inc. (the Organization). Bonne Fete 300, Inc. was formed in 1998 to organize and host events during the 300th year birthday celebration of the City of Baton Rouge, Louisiana during 1999. Sources of revenue and support include corporate sponsorships and grants from the City of Baton Rouge and the Baton Rouge Area Convention & Visitors Bureau. Bonne Fete 300, Inc. is a nonprofit corporation as described in Section 501(c)(3) and is exempt from federal income taxes.

(b) Basis of Accounting

The Organization maintains its books and prepares its financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles. Consequently, revenues are recognized when earned, and expenses are recognized when incurred.

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 their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

(b) Net Assets

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of contributor imposed restrictions. The Organization's net assets balance is comprised only of net assets for general use with no restrictions.

(d) Other Accounting Policies

Cash Equivalents

The Organization considers all highly liquid investments, including certificates of deposit with a maturity of three months or less, to be cash equivalents.

Promises to Give (Pledges Receivable)

The Organization follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional.

Management believes that all amounts receivable as of the balance sheet dates are collectible and thus no allowance for doubtful accounts is necessary.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

BONNE FETE 300, INC.
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD FROM AUGUST 19, 1998 (DATE OF INCEPTION), TO JULY 31, 1999

2. Statements of Cash Flows

Reconciliation of net revenues over expenses to net cash provided by operating activities:

Changes in net assets	<u>\$ 1,028</u>
<u>Adjustments to reconcile net revenues over expenses</u> <u>to net cash provided by operating activities:</u>	
Increase in pledges receivable	(11,720)
Increase in prepaid expenses	(613)
Increase in accounts payable	10,695
Increase in accrued liabilities	<u>4,500</u>
Net cash provided by operating activities	<u>\$ 3,890</u>

3. Related Parties

The Baton Rouge Area Convention & Visitors Bureau granted \$125,000 to Bonne Fete 300, Inc. to fund promotion of tourism within the jurisdiction of the bureau. In addition to these funds, the Baton Rouge Area Convention & Visitors Bureau also provided limited use of office space and employees to Bonne Fete 300, Inc. The amounts associated with these services are not readily determinable and are not reflected in the financial statements.

DAIGREPONT & BRIAN

A Professional Accounting Corporation

Certified Public Accountants

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

Board of Directors
Bonne Fete 300, Inc.
Baton Rouge, LA

We have audited the financial statements of Bonne Fete 300, Inc., as of July 31, 1999 and for the period from inception (August 19, 1998) to July 31, 1999, and have issued our report thereon dated December 10, 1999. We conducted our audit in accordance with generally accepted auditing standards 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 Bonne Fete 300, Inc.'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 Bonne Fete 300, Inc.'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 for the information of the Office of Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Baton Rouge, LA
December 10, 1999