

**LOUISIANA RICE RESEARCH BOARD**

**A COMPONENT UNIT OF THE  
STATE OF LOUISIANA**

**FINANCIAL STATEMENTS AUDIT**

**For the Year Ended June 30, 2018**

# LOUISIANA RICE RESEARCH BOARD

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# J. WALKER & COMPANY<sup>APC</sup>

ACCOUNTANTS AND ADVISORS

## Independent Auditors' Report

Louisiana Rice Research Board  
State of Louisiana  
Rayne, Louisiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and General Fund of the Louisiana Rice Research Board ("Board"), a component unit of the State of Louisiana, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and General Fund of the Board as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Board's basic financial statements. The Schedule of Expenses and the Division of Administration Reporting Package are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenses and the Division of Administration Reporting Package listed in the table of contents are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenses and the Division of Administration Reporting Package are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2018, on our consideration of the Board's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Board's, internal control over financial reporting and compliance.

*J. Walker & Company, APC*

Lake Charles, Louisiana

August 31, 2018



# LOUISIANA RICE RESEARCH BOARD

## Management's Discussion and Analysis As of June 30, 2018

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The Management's Discussion and Analysis of the Louisiana Rice Research Board (the "Board")'s financial performance presents a narrative overview and analysis of the Board's financial activities for the year ended June 30, 2018. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter and the Louisiana Rice Research Board's financial statements.

The Management's Discussion and Analysis (MD&A) for the Board is designed to:

1. Assist the reader in focusing on significant financial issues;
2. Identify changes in the Board's overall financial position and results of operations and assist the user in determining whether financial position has improved or deteriorated as a result of the year's operations;
3. Identify any significant variations from the original, amended, and final budget amounts and include any currently known reasons for those variations that are expected to have a significant effect on future services or liquidity; and
4. Identify individual fund issues or concerns.

As management of the Board, we offer the readers of the Board's financial statements this narrative overview and analysis of the financial activities of the Board as of and for the year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the Board's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

The MD&A is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements- and Management's Discussion and Analysis for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

### **Financial Highlights**

- The Louisiana Rice Research Board's assets exceeded its liabilities at the close of fiscal year 2018 by \$5,414,553. The net assets decreased by 17.29%.
- The Louisiana Rice Research Board's operating revenue decreased \$ 1,270,154 (39.44%) compared to the prior year, and the net result from activities decreased by \$852,246.

### **Overview of The Financial Statements**

The following are the minimum requirements for Special Purpose Governments Engaged in Governmental Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.

- Management's Discussion and Analysis
- Basic Financials Statements

# LOUISIANA RICE RESEARCH BOARD

## Management's Discussion and Analysis As of June 30, 2018

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- Required Supplementary Information (Other than MD&A)

These financial statements consist of three sections – Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements) and supplemental information.

### **Basic Financial Statements**

The basic financial statements present information for the Louisiana Rice Research Board as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets, the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

**Statement of Net Position** presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Louisiana Rice Research Board is improving or deteriorating.

**Statement of Activities** presents information showing how the Louisiana Rice Research Board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

### **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board uses a single fund to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Board's only fund, the General Fund.

The Board uses only one fund type, the governmental fund. The governmental fund is used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Board's near-term financing requirements.

Because of the view of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities.

**Governmental funds** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

## LOUISIANA RICE RESEARCH BOARD

### Management's Discussion and Analysis As of June 30, 2018

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Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Board maintains one governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered major, and the transportation fund, which is considered non-major.

The Board adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund and the transportation fund to demonstrate compliance with these budgets.

The governmental funds financial statements can be found immediately following the government-wide financial statements.

#### **Notes to the financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements.

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. The Board adopts annual budgets for the general fund and the transportation fund. Budgetary comparison statements are provided for the general fund and the transportation fund to demonstrate budgetary compliance.

**LOUISIANA RICE RESEARCH BOARD**

**Management's Discussion and Analysis  
As of June 30, 2018**

**Financial Analysis of the Entity**

**Comparative Statement of Net Position  
As of June 30, 2018, & 2017**

	<u>2018</u>	<u>2017</u>	<u>Variance</u>	<u>Percentage</u>
<b>Assets</b>				
Current and other assets	\$ 5,094,195	\$ 6,457,595	(1,363,400)	-21.11%
Accounts receivable - Department of Agriculture	<u>320,358</u>	<u>88,734</u>	<u>231,624</u>	261.03%
<b>Total Assets</b>	<b><u>5,414,553</u></b>	<b><u>6,546,329</u></b>	<b><u>(1,131,776)</u></b>	<b>239.92%</b>
<b>Fund Balance:</b>				
Unrestricted	<u>5,414,553</u>	<u>6,546,329</u>	<u>(1,131,776)</u>	-17.29%
<b>Total Fund Balance</b>	<b>\$ <u>5,414,553</u></b>	<b>\$ <u>6,546,329</u></b>	<b><u>(1,131,776)</u></b>	<b>-17.29%</b>

The Board's assets decreased by \$1,131,876 (239.81%), primarily from decreases in the Current and Other Assets.

**Statement of Changes in Net Position for the Years Ended  
June 30, 2018 & 2017**

	<u>2018</u>	<u>2017</u>	<u>Variance</u>	<u>Percentage</u>
Operating revenues	\$ 1,950,113	\$ 3,220,267	\$(1,270,154)	-39.44%
Operating expenses	<u>(3,081,889)</u>	<u>(3,499,797)</u>	<u>417,908</u>	-11.94%
<b>Net Changes in Net Position</b>	<b><u>\$(1,131,776)</u></b>	<b><u>\$(279,530)</u></b>	<b><u>\$(852,246)</u></b>	<b>304.89%</b>
<b>Net Position - Beginning</b>	6,546,329	6,825,859	(279,530)	-4.10%
<b>Net Position - Ending</b>	<b><u>\$ 5,414,553</u></b>	<b><u>\$ 6,546,329</u></b>	<b><u>\$(1,131,776)</u></b>	<b>-17.29%</b>

# LOUISIANA RICE RESEARCH BOARD

## Management's Discussion and Analysis As of June 30, 2018

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### **Capital Assets**

As of June 30, 2018, the Louisiana Rice Research Board did not have any capital assets.

### **Debt**

As of June 30, 2018, the Louisiana Rice Research Board had no outstanding debt obligations.

### **Variations Between Original and Final Budgets**

The Board adopted a budget for the 2017 – 2018 fiscal year. The annual budget is prepared on the modified accrual basis of accounting. The budget was adopted on a functional basis. The Board does not recognize or record encumbrances as part of its budgetary practices. Formal budgetary integration is not employed as a management control device during the year. The Board is not required to present a budgetary comparison schedule.

### **Economic Factors and Next Year's Budgets and Rates**

The Louisiana Rice Research Board's appointed officials considered the following factors when setting next year's budget:

- Revenues for next year are expected to be fairly unchanged.
- Operating expenses for next year will be approximately the same.

### **Contacting the Louisiana Rice Research Board's Management**

This financial report is designed to provide our citizens and taxpayers with a general overview of the Louisiana Rice Research Board's finances and to show the Louisiana Rice Research Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Paul Loewer, Jr., Chairman  
Louisiana Rice Research Board  
P.O. Box 129  
Crowley, LA 70527-1429

## **Basic Financial Statements**

**LOUISIANA RICE RESEARCH BOARD**

Statement of Net Position  
For the Year Ended June 30, 2108

**ASSETS**

**Current Assets:**

Cash	\$ 5,094,195
Due from Other Governmental Agencies	<u>320,358</u>
<b>Total Current Assets</b>	<b>5,414,553</b>

**Total Assets** \$ 5,414,553

**NET POSITION**

**Net Position**

Unrestricted	<u>5,414,553</u>
<b>Total Net Position</b>	<b>5,414,553</b>

**Total Liabilites and Net Position** \$ 5,414,553

## LOUISIANA RICE RESEARCH BOARD

Statement of Activities  
For the Year Ended June 30, 2018

<b>Revenues</b>	
Intergovernmental	\$ 1,402,178
Grants - Governmental	24,667
Export Fees	515,260
Interest Income	<u>8,008</u>
<b>Total Revenues</b>	1,950,113
<b>Expenses</b>	
General and Administrative	18,510
Refund of Checkoffs	93,597
Payments	<u>2,969,782</u>
<b>Total Expenses</b>	3,081,889
<b>Net Changes in Net Position</b>	<u>(1,131,776)</u>
<b>Net Position - Beginning</b>	6,546,329
<b>Net Position - Ending</b>	<u>\$ 5,414,553</u>

The Accompanying Notes Are An Integral Part of These Statements

# LOUISIANA RICE RESEARCH BOARD

## Statement of Expenses For the Year Ended June 30, 2018

### General and Administrative

Accounting	\$	1,600
Auditing		2,910
Professional Services		2,000
Collection Charge - Louisiana Department of Agriculture		<u>12,000</u>
<b>Total Administrative Expense</b>		<b>18,510</b>

### Refund of Checkoffs Paid

Louisiana Department of Agriculture		<u>93,597</u>
<b>Total Refund of Checkoffs Paid</b>		<b>93,597</b>

### Payments

LSU Agricultural Center		1,361,693
LSU TRQ Funds		1,567,619
USA Rice Foundation		35,470
Rice Foundation - Dues		<u>5,000</u>
<b>Total Payments</b>		<b>2,969,782</b>

<b>Total Expenses</b>	<b>\$</b>	<b><u><u>3,081,889</u></u></b>
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# LOUISIANA RICE RESEARCH BOARD

## Notes to Financial statement As of and for the year ended June 30, 2018

### Introduction

The Louisiana Rice Research Board (the "Board") is a component unit of the State of Louisiana created within the Louisiana Department of Agriculture & Forestry, as provided by the Louisiana Revised Statute (LSA-R.S.) 551.71-77. The Board is composed of thirteen members appointed by the governor, subject to Senate confirmation. All members of the board are required to be rice producers. Six members are appointed from nominations submitted by the Louisiana Farm Bureau, Inc., five members are appointed from nominations submitted by the Louisiana Rice Growers Association, and two members are appointed from nominations submitted by the American Rice Growers Cooperative Association. The members serve terms of four years and are eligible for reappointment. The Board is charged with the responsibility to promote rice research. The commissioner of Agriculture & Forestry serves as an advisor to the Board.

Revenue is derived from funding received from the Department of Agriculture and Forestry. Additional source of revenue derives from trade agreements with other nations.

### Note 1 – Summary of Significant Accounting Policies

#### Basis of Presentation

The Governmental Accounting Standards Board ("GASB") promulgates accounting principles generally accepted in the United States of America and reporting standards for state and local governments. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by GASB. The accompanying financial statements have been prepared in accordance with such principles.

#### Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The Board is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and can impose his will on the Board. The accompanying general-purpose financial statements contain information only as to the transactions of the Board. Annually, the State of Louisiana issues general purpose financial statements, which include the activity contained in the accompanying financial statements.

The government-wide Statement of Activities reports both the gross and net cost of each of the Board's functions. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which must be directly associated with the function. The net costs (by function) are normally covered by general revenue.

This government-wide focus is more on the sustainability of the Board as an entity and the change in the Board's net assets from the current year's activities.

# LOUISIANA RICE RESEARCH BOARD

## Notes to Financial statement As of and for the year ended June 30, 2018

### Note 1 – Summary of Significant Accounting Policies (continued)

#### Government-Wide and Fund Financial Statements

The Board's basic financial statements consist of the government-wide statements on all activities of the Board and the governmental fund financial statements (individual major fund). The government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Board's General Fund is classified as governmental activities.

The financial transactions of the Board are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Board:

1. Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Board:

- a. General funds are the general operating funds of the Board. They are used to account for all financial resources except those required to be accounted for by another fund.

#### Basis of Accounting

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 focus applied.

- Accrual – The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.
- Modified Accrual – The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

#### Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Board prepares and adopts a budget prior to October 1 of each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated

# LOUISIANA RICE RESEARCH BOARD

## Notes to Financial statement As of and for the year ended June 30, 2018

### Note 1 – Summary of Significant Accounting Policies (continued)

increase therein for the current year, using the modified accrual basis of accounting. The Board amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the 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 includes the original appropriation with no amendments.

#### Cash and Cash Equivalents

The Board defines cash and cash equivalents as follows:

Cash – includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

In accordance with R.S. 33:2955, the Board as a political subdivision, is authorized to invest funds in direct U.S. Treasury obligations, bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal backed by the full faith and credit of the United States of America, direct security repurchase agreements, time certificate of deposits, mutual or equity trusts funds institutions, guaranteed investment contracts, investment grade commercial paper, and bonds, debentures, notes or other indebtedness issued by a state of the United States or any such state's political subdivision that meet stated conditions.

Cash equivalents – include all short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

#### Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

#### Bad Debts

Uncollectible accounts receivable is recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the un-collectability of the particular receivable. At June 30, 2018, there were no amounts considered to be uncollectible.

LOUISIANA RICE RESEARCH BOARD

Notes to Financial statement  
As of and for the year ended June 30, 2018

Note 1 – Summary of Significant Accounting Policies (continued)

Capitalizing Assets

Tangible and/or intangible assets used in operations with an initial useful life that extends beyond two years and exceed \$1,000 in cost are capitalized. Infrastructure assets are also capitalized along with interest on debt incurred during construction. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Position.

Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible fixed assets used by the Board is charged as an expense against operations in the Statements of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Position. Depreciation is computed using the straight-line method over the useful lives of the assets, generally, 10 to 45 years for buildings and building improvements and 3 to 10 years for movable property. Expenditures for maintenance, repairs, and minor renewals are charged to earnings as incurred. Major expenditures for renewal and betterments are capitalized. The Board's practice is to capitalize items with a unit cost of \$1,000 or greater.

Indirect Expenses

Expenses are reported according to function except for those that meet the definition of special or extraordinary items. Direct expenses are specifically associated with a service or program. Indirect expenses include general government or administration that cannot be specifically traced to a service or program. Governments are not required to allocate indirect expenses to other functions, and the Board has chosen not to do so.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets ruled liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Long-Term Obligations

In the government-wide financial statements, debt principal payments of government activities are reported as decreases in the balance of the liability on the statement of net assets. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid. The Board recognizes other post-employment benefits liability in the government-wide financial statements based on actuarially determined obligations under GASB No. 45.

# LOUISIANA RICE RESEARCH BOARD

## Notes to Financial statement As of and for the year ended June 30, 2018

### Compensated Absences

Employees earn annual and sick leave at varying rates, depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon determination, an employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination.

The current portion of compensated absences payable (the amount estimated to be used during the period of availability) is recorded as liability in the fund financial statements. The entire balance of compensated absences payable is recognized as a liability in the government-wide financial statements. The noncurrent portion represents a reconciling item between the fund and government-wide statements.

The Board currently has no employees; therefore, no provisions was made for compensated absences.

### Revenue

Revenue is derived from funding received from the Department of Agriculture and Forestry. Additional source of revenue derives from trade agreements with other nations. The funds from the sale of Tariff Rate Quotas (TRQ) have been entrusted to each rice state determined by relative rice production through the years.

### **Note 2 - Cash and Cash Equivalents**

At June 30, 2018 the Louisiana Rice Research Board had cash and cash equivalents (book balances) totaling \$5,094,195 as detailed as follows:

#### *1. Cash and Cash Equivalents*

Under state law, the Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state of the Union, or the laws of the United States. The Board may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2018, the Board had cash and cash equivalents (book balances) totaling \$5,094,195.

#### *2. Custodial Credit Risk*

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Board's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security 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. These securities are held in the name of the Board or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2018 are secured.

## LOUISIANA RICE RESEARCH BOARD

### Notes to Financial statement As of and for the year ended June 30, 2018

#### Note 3 – Due from Other Governmental Agencies

At June 30, 2018, the Board was due funds from Louisiana Department of Agriculture totaling \$320,358.

#### Note 4 – Net Position

Net position comprises the various net earnings from revenues, expenses. Net position is classified in the following components:

- a) **Invested in capital assets** – This consists of the Board’s total investment in capital assets, net of accumulated depreciation. The Board does not have any outstanding debt obligations related to capital assets.
- b) **Unrestricted net position** – This consists of the net amounts of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of investment in capital assets. Unrestricted net position is used for transactions in capital assets, operations of the Board and may be used at its discretion to meet current expenses and for any purpose. external constraints placed on net asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

#### Note 5 – Risk Management

The Louisiana Rice Research Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Board.

## **Supplementary Information**

**INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS**



# J. WALKER & COMPANY<sub>APC</sub>

ACCOUNTANTS AND ADVISORS

## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Louisiana Rice Research Board  
State of Louisiana  
Rayne, Louisiana

We have audited, 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, the governmental-type activities and each major fund, and the aggregate remaining fund information of the Louisiana Rice Research Board, a component unit of the State of Louisiana, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Louisiana Rice Research Board's basic financial statements and have issued our report thereon dated August 31, 2018.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Louisiana Rice Research Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana Rice Research Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Louisiana Rice Research Board's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

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#### MEMBER OF:

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Louisiana Rice Research Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

## **Louisiana Rice Research Board's Response to Findings**

The Louisiana Rice Research Board's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Louisiana Rice Research Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*J. Walker & Company, APC*

Lake Charles, Louisiana  
August 31, 2018



# LOUISIANA RICE RESEARCH BOARD

## Schedule of Findings and Responses For the Year Ended June 30, 2018

### I. Summary of Auditors' Results

#### a. Financial Statements

1. The independent auditors' report expresses an unmodified opinion on the financial statements of the Louisiana Rice Research Board.
2. There were no control deficiencies disclosed during the audit of the financial statements and reported in the *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
1. There were no instances of noncompliance that are reported in the *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.

#### b. Federal Awards

1. N/A

#### c. Management Letter

1. No management letter was issued in connection with the audit for the year ended June 30, 2018.

**LOUISIANA RICE RESEARCH BOARD**

**Schedule of Findings and Responses  
For the Year Ended June 30, 2018**

**II. Findings – Financial Statement Audit**

**Internal Control and Compliance Findings**

There were no current year findings.

# LOUISIANA RICE RESEARCH BOARD

## Schedule of Findings and Responses For the Year Ended June 30, 2018

### III. Summary of Prior Year Findings

Agreed-Upon Procedures were applied to the Organization in the prior fiscal year. We considered these exceptions identified in the report dated October 27, 2017 in our testing procedures for this audit year. We have identified the results of our testing below.

#### **2016-001 Bank Reconciliations**

##### Condition:

Bank reconciliation was only provided for the last month of the fiscal year. Additionally, Board was unable to provide evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation.

##### Management's Response/Corrective Action Plan:

The Board annually writes 12 checks a year (with most of the funding contained in two checks for one contract) and normally has 16 deposits annually. Due to the low number of transactions; Board considered the cost to pay the contract CPA to reconcile monthly. External CPA will prepare bank reconciliations monthly. Regarding reviewing bank reconciliations; a board member will be assigned responsibility of reviewing the bank reconciliations and documenting such review.

##### Current Status:

Resolved.

#### **2016-002 Collections**

##### Condition:

The contracted CPA is responsible for collecting the cash (checks), depositing cash, and reconciling the bank account.

##### Management's Response/Corrective Action Plan:

The Board does not receive daily collections. The Louisiana Department of Agriculture and Forestry (LDAF) collects the rice assessments. Assessments are collected by the buyer (mills) at the first point of sale. They remit to the LDAF monthly. The LDAF then sends the monthly assessment collections and report to the Board and the CPA firm then makes the deposit. Assessments are received once a month in one check. TRQ funds are transferred to the Board four times a year. Compensating controls will be enacted to have a Board member review bank reconciliation and supporting documentation relating to collections.

##### Current Status:

Resolved.

LOUISIANA RICE RESEARCH BOARD

Schedule of Findings and Responses  
For the Year Ended June 30, 2018

**2016-003 Collections-Daily Cash Collection Documentation**

Condition:

The entity does not maintain daily cash collection documentation due to the low number of checks received each month. Therefore, the exact number of days between collection and deposit was not able to be confirmed. Additionally, The Board was unable to provide written documentation regarding a process specifically designed to determine completeness of all collections.

Management's Response/Corrective Action Plan:

The Board does not receive daily collections. The Louisiana Department of Agriculture and Forestry (LDAF) collects the rice assessments. Assessments are collected by the buyer (mils) at the first point of sale. They remit to the LDAF monthly. The LDAF then sends the monthly assessment collections and report to the Board and the CPA firm then makes the deposit. Assessments are received once a month in one check. TRQ funds are transferred to the Board 4 times a year.

Current Status:

Resolved.

**2016-004 Noncompliance with Ethics Training Requirements**

Condition:

One of the five board members tested did not complete the required ethics training for the year.

Management's Response/Corrective Action Plan:

At each meeting the agenda includes an ethics training and reporting requirements item. Board members also receive email reminders of the Tier 2.1 report deadline and the annual ethics training requirement. The Board will continue to make members aware of the requirements with added emphasis nearing the respective deadlines. Management will also reach out to the individual that did not complete the training.

Current Status:

Resolved.

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

AGENCY: 7-15-19 - Louisiana Rice Research Board

PREPARED BY: Jonald Walker III

PHONE NUMBER: 337-478-7902

EMAIL ADDRESS: jonald@jwalkerco.com

SUBMITTAL DATE: 08/31/2018 06:17 PM

**STATEMENT OF NET POSITION**

**ASSETS**

**CURRENT ASSETS:**

CASH AND CASH EQUIVALENTS	5,094,195.51
INVESTMENTS:	
OTHER INVESTMENTS	0.00
RESTRICTED INVESTMENTS - CURRENT	0.00
RECEIVABLES (NET):	
RECEIVABLES - EMPLOYER CONTRIBUTION	
RECEIVABLES - EMPLOYER CONTRIBUTION (GROSS)	0.00
RECEIVABLES - EMPLOYER CONTRIBUTION (ALLOWANCE FOR UNCOLLECTIBLES)	0.00
RECEIVABLES - TUITION AND FEES	
RECEIVABLES - TUITION AND FEES (GROSS)	0.00
RECEIVABLES - TUITION AND FEES (ALLOWANCE FOR UNCOLLECTIBLES)	0.00
RECEIVABLES - OTHER	
RECEIVABLES - OTHER (GROSS)	0.00
RECEIVABLES - OTHER (ALLOWANCE FOR UNCOLLECTIBLES)	0.00
PLEDGES RECEIVABLE (NET) - CURRENT	0.00
LEASES RECEIVABLE - CURRENT	0.00
DERIVATIVE INSTRUMENTS	0.00
DUE FROM OTHER FUNDS	0.00
DUE FROM FEDERAL GOVERNMENT	0.00
INVENTORIES	0.00
PREPAYMENTS	0.00
NOTES RECEIVABLE - CURRENT	0.00
OTHER CURRENT ASSETS	320,358.25
<b>TOTAL CURRENT ASSETS</b>	<b>\$5,414,553.76</b>

**NONCURRENT ASSETS:**

RESTRICTED ASSETS:	
RESTRICTED CASH - NONCURRENT	0.00
RESTRICTED INVESTMENTS - NONCURRENT	0.00
RESTRICTED RECEIVABLES	0.00
RESTRICTED NOTES RECEIVABLE	0.00
OTHER RESTRICTED ASSETS	0.00
INVESTMENTS - NONCURRENT	0.00
RECEIVABLES (NET) - NONCURRENT:	
NON-CURRENT RECEIVABLES - EMPLOYER CONTRIBUTIONS	0.00
NON-CURRENT RECEIVABLES - TUITION AND FEES	0.00
NON-CURRENT RECEIVABLES - OTHER	0.00
NOTES RECEIVABLE - NONCURRENT	0.00
PLEDGES RECEIVABLE - NONCURRENT	0.00
LEASES RECEIVABLE - NONCURRENT	0.00
CAPITAL ASSETS:	
LAND	0.00
BUILDING & IMPROVEMENTS	
BUILDINGS AND IMPROVEMENTS (GROSS)	0.00
BUILDING & IMPROVEMENTS (ACCUMULATED DEPRECIATION)	0.00
MACHINERY & EQUIPMENT	
MACHINERY AND EQUIPMENT (GROSS)	0.00
MACHINERY & EQUIPMENT (ACCUMULATED DEPRECIATION)	0.00
INFRASTRUCTURE	

**ANNUAL FISCAL REPORT (AFR)  
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INFRASTRUCTURE (GROSS)	0.00
INFRASTRUCTURE (ACCUMULATED DEPRECIATION)	0.00
INTANGIBLE ASSETS	
INTANGIBLE ASSETS (GROSS)	0.00
INTANGIBLE ASSETS (ACCUMULATED AMORTIZATION)	0.00
CONSTRUCTION IN PROGRESS	0.00
OTHER NONCURRENT ASSETS	0.00
<b>TOTAL NONCURRENT ASSETS</b>	<b>\$0.00</b>
<b>TOTAL ASSETS</b>	<b>\$5,414,553.76</b>

**DEFERRED OUTFLOWS OF RESOURCES**

ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVES	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS	0.00
GRANTS PAID PRIOR TO MEETING TIME REQUIREMENTS	0.00
INTRA-ENTITY TRANSFER OF FUTURE REVENUES	0.00
LOSSES FROM SALE-LEASEBACK TRANSACTIONS	0.00
DIRECT LOAN ORIGINATION COSTS FOR MORTGAGE LOANS HELD FOR SALE	0.00
FEES PAID TO PERMANENT INVESTORS PRIOR TO SALE OF MORTGAGE LOANS	0.00
OPEB-RELATED DEFERRED OUTFLOWS OF RESOURCES	0.00
PENSION-RELATED DEFERRED OUTFLOWS OF RESOURCES	0.00
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$0.00</b>

**LIABILITIES**

**CURRENT LIABILITIES:**

ACCOUNTS PAYABLE	
SALARIES, WAGES & RELATED BENEFITS	0.00
TRAVEL & TRAINING	0.00
OPERATING SERVICES	0.00
PROFESSIONAL SERVICES	0.00
SUPPLIES	0.00
GRANTS & PUBLIC ASSISTANCE	0.00
OTHER CHARGES	0.00
CAPITAL OUTLAY	0.00
ACCRUED INTEREST	0.00
DERIVATIVE INSTRUMENTS	0.00
DUE TO OTHER FUNDS	0.00
DUE TO FEDERAL GOVERNMENT	0.00
UNEARNED REVENUES	0.00
AMOUNTS HELD IN CUSTODY FOR OTHERS	0.00
OTHER CURRENT LIABILITIES	0.00

**CURRENT PORTION OF LONG-TERM LIABILITIES:**

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	0.00
CAPITAL LEASE OBLIGATIONS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
OTHER LONG-TERM LIABILITIES	0.00
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$0.00</b>

**NONCURRENT PORTION OF LONG-TERM LIABILITIES:**

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	0.00
CAPITAL LEASE OBLIGATIONS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
TOTAL OPEB LIABILITY	0.00
NET PENSION LIABILITY	0.00
OTHER LONG-TERM LIABILITIES	0.00
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>\$0.00</b>
<b>TOTAL LIABILITIES</b>	<b>\$0.00</b>

**DEFERRED INFLOWS OF RESOURCES**

ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVES	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS	0.00
GRANTS RECEIVED PRIOR TO MEETING TIME REQUIREMENTS	0.00
SALES/INTRA-ENTITY TRANSFER OF FUTURE REVENUES	0.00
GAINS FROM SALE-LEASEBACK TRANSACTIONS	0.00
SPLIT INTEREST AGREEMENTS	0.00
POINTS RECEIVED ON LOAN ORIGATION	0.00
LOAN ORIGATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE	0.00
OPEB-RELATED DEFERRED INFLOWS OF RESOURCES	0.00
PENSION-RELATED DEFERRED INFLOWS OF RESOURCES	0.00
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$0.00</b>

**NET POSITION:**

NET INVESTMENT IN CAPITAL ASSETS	0.00
RESTRICTED FOR:	
CAPITAL PROJECTS	0.00
UNEMPLOYMENT COMPENSATION	0.00
ENDOWMENTS - EXPENDABLE	0.00
ENDOWMENTS - NONEXPENDABLE	0.00
DEBT SERVICE	0.00
OTHER PURPOSES	5,414,553.76
UNRESTRICTED	<b>\$0.00</b>
<b>TOTAL NET POSITION</b>	<b>\$5,414,553.76</b>

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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PREPARED BY: Jonald Walker III

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SUBMITTAL DATE: 08/31/2018 06:17 PM

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

**OPERATING REVENUES:**

SALES OF COMMODITIES & SERVICES	0.00
ASSESSMENTS	0.00
USE OF MONEY & PROPERTY	0.00
LICENSES, PERMITS & FEES	0.00
FEDERAL GRANTS & CONTRACTS	0.00
OTHER	1,950,112.50
<b>TOTAL OPERATING REVENUES</b>	<b>\$1,950,112.50</b>

**OPERATING EXPENSES:**

COST OF SALES & SERVICES	3,063,378.50
ADMINISTRATIVE	18,510.00
DEPRECIATION	0.00
AMORTIZATION	0.00
UNEMPLOYMENT INSURANCE BENEFITS	0.00
<b>TOTAL OPERATING EXPENSES</b>	<b>\$3,081,888.50</b>

**OPERATING INCOME (LOSS) \$ (1,131,776.00)**

**NONOPERATING REVENUES(EXPENSES)**

NON-OPERATING INTERGOVERNMENTAL REVENUES	0.00
NON-OPERATING INTERGOVERNMENTAL EXPENSES	0.00
GAIN ON SALE OF CAPITAL ASSETS	0.00
LOSS ON SALE OF CAPITAL ASSETS	0.00
FEDERAL GRANTS	0.00
INTEREST EXPENSE	0.00
OTHER NON-OPERATING REVENUES	0.00
OTHER NON-OPERATING EXPENSES	0.00
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>\$0.00</b>

**INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS \$ (1,131,776.00)**

CAPITAL CONTRIBUTIONS	0.00
TRANSFERS IN	0.00
TRANSFERS OUT	0.00

**CHANGE IN NET POSITION \$ (1,131,776.00)**

NET POSITION - BEGINNING	<b>\$6,546,329.00</b>
NET POSITION - RESTATEMENT	0.76

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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**PREPARED BY:** Jonald Walker III

**PHONE NUMBER:** 337-478-7902

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**SUBMITTAL DATE:** 08/31/2018 06:17 PM

**NET POSITION - ENDING**

**\$5,414,553.76**

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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**STATEMENT OF CASH FLOWS**

CASH FLOWS FROM OPERATING ACTIVITIES:

RECEIPTS FROM CUSTOMERS	5,094,195.00
RECEIPTS FROM INTERFUND SERVICES PROVIDED	0.00
RECEIPTS FROM INTERFUND REIMBURSEMENTS	0.00
RECEIPTS OF PRINCIPAL/INTEREST FROM LOAN PROGRAMS	0.00
OTHER OPERATING RECEIPTS	0.00
PAYMENTS TO SUPPLIERS & SERVICE PROVIDERS	(6,225,971.00)
PAYMENTS FOR LOANS MADE UNDER LOAN PROGRAMS	0.00
PAYMENTS TO EMPLOYEES FOR SERVICES	0.00
PAYMENTS FOR INTERFUND SERVICES USED	0.00
PAYMENTS FOR SCHOLARSHIPS AND FELLOWSHIPS	0.00
OTHER OPERATING PAYMENTS	0.00
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$(1,131,776.00)</b>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

PROCEEDS FROM THE ISSUANCE OF NON-CAPITAL DEBT	0.00
RECEIPTS FROM OPERATING GRANTS	0.00
RECEIPTS FOR PRINCIPAL AND INTEREST DEBT SERVICE	0.00
RECEIPTS FROM OTHER FUNDS	0.00
PAYMENTS FOR PRINCIPAL ON NON-CAPITAL DEBT	0.00
PAYMENTS FOR INTEREST ON NON-CAPITAL DEBT	0.00
PAYMENTS FOR GRANTS AND SUBSIDIES	0.00
PAYMENTS TO OTHER FUNDS	0.00
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>\$0.00</b>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

PROCEEDS FROM THE ISSUANCE OF CAPITAL DEBT	0.00
RECEIPTS FROM CAPITAL GRANTS	0.00
PROCEEDS FROM THE SALE OF CAPITAL ASSETS	0.00
PAYMENTS TO ACQUIRE, CONSTRUCT & IMPROVE CAPITAL ASSETS	0.00
PAYMENTS FOR PRINCIPAL ON CAPITAL DEBT	0.00
PAYMENTS FOR INTEREST ON CAPITAL DEBT	0.00
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>\$0.00</b>

CASH FLOWS FROM INVESTING ACTIVITIES:

PURCHASES OF INVESTMENTS	0.00
PROCEEDS FROM THE SALE OF INVESTMENTS	0.00
INTEREST AND DIVIDENDS	0.00
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>\$0.00</b>

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

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<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>\$(1,131,776.00)</b>
CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	6,457,595.00
RESTATEMENT OF BEGINNING CASH AND CASH EQUIVALENTS	(231,623.49)
<b>CASH &amp; CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$5,094,195.51</b>

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

**OPERATING INCOME (LOSS)** **\$(1,131,776.00)**

ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

DEPRECIATION/AMORTIZATION	0.00
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	0.00
NONEMPLOYER CONTRIBUTING ENTITY REVENUE	0.00
OTHER	0.00
(INCREASE)/DECREASE IN ACCOUNTS RECEIVABLE	0.00
(INCREASE)/DECREASE IN DUE FROM OTHER FUNDS	0.00
(INCREASE)/DECREASE IN PREPAYMENTS	0.00
(INCREASE)/DECREASE IN INVENTORIES	0.00
(INCREASE)/DECREASE IN OTHER ASSETS	0.00
(INCREASE)/DECREASE IN DEFERRED OUTFLOWS RELATED TO OPEB	0.00
(INCREASE)/DECREASE IN DEFERRED OUTFLOWS RELATED TO PENSIONS	0.00
INCREASE/(DECREASE) IN ACCOUNTS PAYABLE & ACCRUALS	0.00
INCREASE/(DECREASE) IN COMPENSATED ABSENCES	0.00
INCREASE/(DECREASE) IN DUE TO OTHER FUNDS	0.00
INCREASE/(DECREASE) IN UNEARNED REVENUES	0.00
INCREASE/(DECREASE) IN OPEB LIABILITY	0.00
INCREASE/(DECREASE) IN NET PENSION LIABILITY	0.00
INCREASE/(DECREASE) IN OTHER LIABILITIES	0.00
INCREASE/(DECREASE) IN DEFERRED INFLOWS RELATED TO OPEB	0.00
INCREASE/(DECREASE) IN DEFERRED INFLOWS RELATED TO PENSIONS	0.00

**NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** **\$(1,131,776.00)**

**ANNUAL FISCAL REPORT (AFR)  
FOR 2018**

AGENCY: 7-15-19 - Louisiana Rice Research Board

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PHONE NUMBER: 337-478-7902

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SUBMITTAL DATE: 08/31/2018 06:17 PM

**DEPOSITS WITH FINANCIAL INSTITUTIONS (BANK BALANCES)**

	<b>Total Deposits (Bank Balance)</b>	<b>Uninsured and Uncollateralized (Bank Balance)</b>	<b>Uninsured and Collateralized with Securities Held by the Pledging Institution (Bank Balance)</b>	<b>Uninsured and Collateralized with Securities Held by the Pledging Institution's Trust Dept. or Agent but not in the Agency's Name (Bank Balance)</b>
Cash	5,094,195.51	0.00	0.00	0.00
Non-Negotiable Certificates of Deposits	0.00	0.00	0.00	0.00
Money Market Demand Accounts*	0.00	0.00	0.00	0.00
<b>Total</b>	<b>\$5,094,195.51</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

**Do NOT include any cash or CD's on deposit with the State Treasurer**

**\*DOES NOT Include Money Market Mutual Funds**