

LOUISIANA TOURISM COASTAL COALITION

METAIRIE, LOUISIANA

JUNE 30, 2020



L.A. CHAMPAGNE & CO.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

The Board of Directors of
Louisiana Tourism Coastal Coalition

Management is responsible for the accompanying statements of the Louisiana Tourism Coastal Coalition (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to the agency head, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement, but we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

L.A. Champagne & Co., LLP

*Baton Rouge, Louisiana
December 2, 2020*

LOUISIANA TOURISM COASTAL COALITION
STATEMENT OF FINANCIAL POSITION

June 30, 2020

(See Independent Accountant's Compilation Report)

ASSETS

CURRENT ASSETS

Cash	\$ 182,233
Prepaid insurance	<u>425</u>
Total assets	<u><u>\$ 182,658</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES	<u>\$ -</u>
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NET ASSETS

Without donor restrictions	<u>182,658</u>
Total net assets	<u><u>182,658</u></u>
Total liabilities and net assets	<u><u>\$ 182,658</u></u>

See accompanying notes to financial statements.

LOUISIANA TOURISM COASTAL COALITION
STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2020
(See Independent Accountant's Compilation Report)

	<u>Without Donor Restrictions</u>
SUPPORT AND REVENUE	
Membership dues	\$ 29,500
Public relation fees	40,000
Other income	57
Total support and revenue	<u>69,557</u>
 EXPENSES	
Program expenses	67,914
Management and general expenses	8,741
Total expenses	<u>76,655</u>
 Change in net assets	(7,098)
 Net assets - beginning of year	<u>189,756</u>
 Net assets - end of year	<u>\$ 182,658</u>

See accompanying notes to financial statements.

LOUISIANA TOURISM COASTAL COALITION
STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2020
(See Independent Accountant's Compilation Report)

CASH FLOWS FROM OPERATING ACTIVITIES	
Decrease in net assets	\$ (7,098)
Net cash used in operating activities	<u>(7,098)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	-
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>
NET DECREASE IN CASH	(7,098)
Cash - beginning of year	<u>189,331</u>
Cash - end of year	<u><u>\$ 182,233</u></u>

See accompanying notes to financial statements.

LOUISIANA TOURISM COASTAL COALITION
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2020

(See Independent Accountant's Compilation Report)

	Program Services	Management and General	Total
Advertising and marketing	\$ 63,417	\$ -	\$ 63,417
Insurance	-	950	950
Membership dues	-	450	450
Professional Services	-	5,251	5,251
Storage expenses	-	310	310
Supplies	-	209	209
Other	-	72	72
Website and IT expenses	4,497	1,499	5,996
Total expenses	\$ 67,914	\$ 8,741	\$ 76,655

See accompanying notes to financial statements.

LOUISIANA TOURISM COASTAL COALITION

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

The Louisiana Tourism Coastal Coalition (the "Organization") is a non-profit destination marketing organization. Following the historic 2010 BP oil spill, Louisiana's coastal parishes led a united effort to mitigate the economic impact to the tourism stakeholders and communicate with one voice. The Organization's mission is to advocate the sustainable development of coastal communities and the protection of fragile wetlands, and promotes the unique Louisiana Coast's natural, outdoor recreational and cultural experiences to visitors and residents.

Basis of accounting

The Organization prepares its financial statements on the accrual basis of accounting. Under this method of accounting, revenue is recognized when earned or billed, and expenses are recognized when goods or services are received and the obligation for payment is incurred.

Basis of presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The Organization reports information regarding its financial position and activities according to the two classes of net assets as follows:

Net assets without donor restrictions - resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions - resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets with donor restrictions to net assets without donor restrictions.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Contributions and grants

Contributions and grants received are measured at their fair values and are reported as an increase in net assets.

Use of estimates

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

Cash

For the purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with a maturity of three months or less when acquired to be cash.

Income tax status

The Organization is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the financial statements.

The Organization accounts for income taxes in accordance with the income tax accounting guidance included in the FASB ASC. Under this guidance, the Organization may recognize the tax effects from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by tax authorities. The Organization has evaluated its position regarding the accounting for uncertain tax positions and does not believe that it has any material uncertain tax positions.

Functional allocation of expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs are charged specifically to a program or function and the remaining costs are allocated among programs, management, and fundraising.

Change in Accounting Principles

In June 2018, the FASB issued Accounting Standards Update (ASU) No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which clarifies and improves the scope and accounting guidance around contributions received and made by not-for-profit organizations. The Organization adopted ASU 2018-08 using a modified prospective method effective July 1, 2019. Under the modified prospective method, this ASU only applies to agreements not completed or entered into as of July 1, 2019. As a result, the 2019 financial statements are not restated and there was no cumulative-effect adjustment to opening net assets as of July 1, 2019. There were no material changes to the recognition of contribution revenue during 2020.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Advertising

The costs of advertising are expensed as incurred. For the year ended June 30, 2020, advertising costs totaled \$63,417.

B: CONCENTRATION OF CREDIT RISK

The Organization maintains deposits in a local financial institution with balances at times that may exceed the \$250,000 federal insurance provided by the Federal Deposit Insurance Corporation. Management believes the credit risk associated with these deposits is minimal.

C: NON-CASH INVESTING AND FINANCING ACTIVITIES

There were no non-cash investing and financing activities for the year ended June 30, 2020.

D: LIQUIDITY

As of June 30, 2020, the Organization had \$182,233 of financial assets available within one year of the statement of net position date consisting of cash. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of position date.

E: LEASE COMMITMENTS

The Organization leases storage space under an agreement that is classified as an operating lease. The lease is month-to-month and provides for monthly rent of \$140. Lease expense under this agreement was \$310 for the year ended June 30, 2020.

F: SUBSEQUENT EVENTS

Subsequent events were evaluated through December 2, 2020, which is the date the financial statements were available to be issued. As a result of the spread of COVID-19 coronavirus, economic uncertainties have arisen that could negatively impact contributions and operating results. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

SUPPLEMENTARY INFORMATION

**LOUISIANA TOURISM COASTAL COALITION
SCHEDULE OF COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO AGENCY HEAD**

*For the Year Ended June 30, 2020
(See Independent Accountant's Compilation Report)*

There were no compensation, benefits, or other payments made to the Timothy Bush, Board Chairman, for the year ended June 30, 2020.

See accompanying notes to financial statements.