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Financial Statements

ENTERPRISE CENTER OF LOUISIANA

December 31, 2006 and 2005

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 3-28-07

Briscoe, Burke & Grigsby LLP
CERTIFIED PUBLIC ACCOUNTANTS
Tulsa, Oklahoma

ENTERPRISE CENTER OF LOUISIANA, INC.

INDEPENDENT AUDITOR'S REPORT

and

FINANCIAL STATEMENTS

December 31, 2006 and 2005

Briscoe, Burke & Grigsby LLP
CERTIFIED PUBLIC ACCOUNTANTS

ENTERPRISE CENTER OF LOUISIANA, INC.

December 31, 2006 and 2005

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Briscoe, Burke & Grigsby LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Enterprise Center of Louisiana, Inc.
Lafayette, Louisiana

We have audited the accompanying statements of financial position of Enterprise Center of Louisiana, Inc. as of December 31, 2006, and the related statements of activities, changes in net assets, and cash flows for the period then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The summarized information pertaining to December 31, 2005 is derived from financial statements audited in that year and is provided for comparative purposes only.

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 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 Enterprise Center of Louisiana, Inc., as of December 31, 2006, 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 February 15, 2007, on our consideration of Enterprise Center of Louisiana, Inc.'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Briscoe, Burke & Grigsby LLP

Certified Public Accountants

February 15 , 2007
Tulsa, Oklahoma

ENTERPRISE CENTER OF LOUISIANA, INC.

Statements of Financial Position

December 31, 2006 and 2005

ASSETS	Unrestricted	Temporarily Restricted	Total All Funds 2006	Total All Funds 2005
Current assets:				
Cash	$ 203,611	$ 56,070	$ 259,681	$ 279,698
Accounts receivable (less allowance for doubtful accounts: (2006 - $3,381, 2005 - $881)	5,962	-	5,962	1,677
Due (to) from other funds	9,897	(9,897)	-	-
Total current assets	**219,470**	**46,173**	**265,643**	**281,375**
Fixed assets:				
Autos	33,719	-	33,719	33,718
Communication equipment	39,403	-	39,403	60,803
Furniture, fixtures and office equipment	59,787	-	59,787	46,810
Leasehold improvements	591,836	-	591,836	583,413
Less: accumulated depreciation	(334,307)	-	(334,307)	(303,057)
Total fixed assets	**390,438**	**-**	**390,438**	**421,687**
TOTAL ASSETS	**$ 609,908**	**$ 46,173**	**$ 656,081**	**$ 703,062**
LIABILITIES and NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	$ 7,359	$ -	$ 7,359	$ 6,203
Total current liabilities	**7,359**	**-**	**7,359**	**6,203**
Deposits held	7,665	-	7,665	10,067
Total liabilities	**15,024**	**-**	**15,024**	**16,270**
Net assets:				
Net assets	594,884	46,173	641,057	686,792
Total net assets	**594,884**	**46,173**	**641,057**	**686,792**
TOTAL LIABILITIES and NET ASSETS	**$ 609,908**	**$ 46,173**	**$ 656,081**	**$ 703,062**

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

ENTERPRISE CENTER OF LOUISIANA, INC.

Statements of Activities and Changes in Net Assets

For the Years Ended December 31, 2006 and 2005

	Unrestricted	Temporarily Restricted	Total All Funds 2006	Total All Funds 2005
Revenues				
Program revenues	**$ 123,538**	**$ -**	**$ 123,538**	**$ 99,846**
Expenditures				
Indirect program costs				
Salaries and wages	134,021	-	134,021	127,293
Employee benefits and taxes	15,191	-	15,191	14,599
ECOL board expenses	449	-	449	663
Office supplies	4,606	-	4,606	4,205
Depreciation	31,250	-	31,250	34,313
Public relations and advertising	3,709	-	3,709	7,148
Occupancy and maintenance	34,994	-	34,994	33,717
Postage	408	-	408	408
Travel, meals and lodging	8,004	-	8,004	3,542
Telephone and utilities	16,407	-	16,407	16,585
Insurance	11,502	-	11,502	10,215
Internet services	2,572	-	2,572	2,508
Bad debt expense	2,500	-	2,500	-
Other operating expenses	14,728	-	14,728	15,337
Total indirect program costs	**280,341**	**-**	**280,341**	**270,533**
Other income				
Interest income	6,068	-	6,068	5,052
Other income	-	-	-	-
Grants	105,000	-	105,000	50,000
Transfers	-	-	-	(1,223)
Total other income	**111,068**	**-**	**111,068**	**53,829**
Increase (decrease) in net assets	**(45,735)**	**-**	**(45,735)**	**(116,858)**
Net assets - beginning of year	640,619	46,173	686,792	803,650
Net assets - end of year	**$ 594,884**	**$ 46,173**	**$ 641,057**	**$ 686,792**

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

ENTERPRISE CENTER OF LOUISIANA, INC.

Statements of Cash Flows

For the Years Ended December 31, 2006 and 2005

	2006	2005
Cash flows from operating activities:		
Grants	$ 105,000	$ 50,000
Other net decreases in unrestricted net assets	(181,986)	(201,171)
Depreciation expense	31,250	34,313
(Increase) Decrease in accounts receivable	(4,285)	1,220
Increase (Decrease) in accounts payable	1,156	(277)
Increase (Decrease) in deposits held	(2,402)	3,300
Net cash (used) by operating activities	**(51,267)**	**(112,615)**
Cash flows from investing activities:		
Net increase in plant assets	31,250	33,656
Net cash used (made) by investing activities	**31,250**	**33,656**
Net increase (decrease) in cash and cash equivalents	**(20,017)**	**(78,959)**
Cash and cash equivalents at beginning of period	279,698	358,657
Cash and cash equivalents at end of period	**$ 259,681**	**$ 279,698**

	2006	2005
Cash paid during the year for		
Interest	$ -	$ -
Income taxes	-	-

Disclosure of accounting policy:

For Purposes of the statement of cash flows, the Corportation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

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

ENTERPRISE CENTER OF LOUISIANA, INC.

Notes to Financial Statements

December 31, 2006 and 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The Enterprise Center of Louisiana, Inc. (the Corporation) was incorporated June 6, 1990 as a tax-exempt, not-for-profit organization. The Corporation's principle purpose is to assist in the economic development of the southwest Louisiana area.

The Corporation is structured as an incubator which assists new businesses to enhance their chances of survival by providing occupancy and various services and support at below-market rates.

Accounting Estimates - The presentation 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 disclosure of contingent assets and 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.

Credit Risk - Financial instruments which potentially subject the Corporation to concentrations of credit risk consist principally of temporary cash investments and accounts receivable. The Corporation places its temporary cash investments with high credit quality financial institutions and, by policy, generally limits the amount of credit exposure to any one financial institution. The Corporation provides credit, in the normal course of business, to its clients. The Corporation performs ongoing credit evaluations of its clients and maintains allowances for potential credit losses which, when realized, have been within the range of management's allowance for doubtful accounts.

At December 31, 2006 the Corporation had $164,131 of cash in banks in excess of FDIC insured limits.

Fair Value of Financial Instruments - Financial instruments include cash and temporary cash investments. The carrying value of cash and temporary cash investments approximates fair value because of the short maturity of those instruments.

2. DEPRECIATION

Depreciation is calculated on straight-line methods over the estimated useful lives of the respective assets.

Estimated depreciable lives of property and equipment are shown below:

	Years
Communication equipment	5
Furniture and fixtures	5 - 7
Office equipment	5
Leasehold improvements	31

Maintenance and repairs are charged to expense as incurred. Expenditures, which significantly increase values or extend useful lives, are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in current earnings.

The following represents the Corporation's fixed assets and accumulated depreciation as of December 31, 2006:

	Cost	Accumulated Depreciation	Net Book Value
Autos	$ 33,719	$ 19,669	$ 14,050
Communication equipment	60,803	54,788	6,015
Furniture, fixtures and office equipment	46,810	43,144	3,666
Leasehold improvements	583,413	216,705	366,707
	$ 724,745	$ 334,306	$ 390,438

Depreciation expense was $31,250 and $34,313 for the years ended December 31, 2006 and 2005, respectively.

3. INCOME TAXES

The Corporation is exempt from federal taxes under Section 501(c)(3) of the Internal Revenue Code.

4. GRANTS

During 1997 the Corporation applied for and received approval for a $75,000 Rural Business Enterprise Grant from the United States Department of Agriculture. These funds are to provide a revolving loan program for the Corporation. As of December 31, 2006 the Corporation had received $55,000 in Rural Business Enterprise Grant Funds. The receivable for loans as of December 31, 2006 was $0 which is net of the allowance of $0. The $55,000 of grant funds received, net of losses, is shown as temporarily restricted net assets.

In July, 2004 the Corporation received a Cooperative Endeavor Agreement from the Louisiana Department of Economic Development. The Agreement is for $50,000 and is part of the Vision 2020 which is the Master Plan for Economic Development for the State of Louisiana. The payment terms of the Agreement are on a reimbursement basis upon receipt from the Corporation of approved expenditures. The Agreement duration was from July 1, 2004 through June 30, 2005.

In March, 2006 the Corporation received an Intergovernmental Agreement from the Lafayette Economic Development Authority, a political subdivision of the State of Louisiana. The Agreement is for funding of up to $25,000 per quarter to a maximum funding of $100,000 for a one year period. The payment terms of the Agreement are on a reimbursement basis upon receipt from the Corporation of approved expenditures. The Agreement duration was from January 1, 2006 through December 31, 2006.

5. UNRESTRICTED NET ASSETS

Unrestricted net assets at December 31, 2006 and 2005 consisted of the following:

	2006	2005
Common stock - (par value $1.00, 2,000 shares authorized, 1,000 shares issued and outstanding)	$ 1,000	$ 1,000
Unrestricted net assets	593,884	639,619
Total unrestricted net assets	**$ 594,884**	**$ 640,619**

Briscoe, Burke & Grigsby LLP
CERTIFIED PUBLIC ACCOUNTANTS

February 15, 2007

Board of Directors
Enterprise Center of Louisiana, Inc.
Lafayette, Louisiana

We have audited the financial statements of Enterprise Center of Louisiana, Inc. as of and for the year ended December 31, 2006, and have issued our report thereon dated February 15, 2007. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Enterprise Center of Louisiana, 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Enterprise Center of Louisiana, Inc.'s financial statements are free of 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 that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Board of Directors, management, and the Rural Utilities Service, and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Briscoe, Burke & Grigsby LLP

Certified Public Accountants

February 15, 2007
Tulsa, Oklahoma

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Briscoe, Burke & Grigsby LLP
CERTIFIED PUBLIC ACCOUNTANTS

February 15, 2007

Board of Directors
Enterprise Center of Louisiana, Inc.
Lafayette, Louisiana

We have audited the financial statements of Enterprise Center of Louisiana, Inc. as of and for the years ended December 31, 2006 and 2005, and have issued our report thereon dated February 15, 2007. We conducted our audits 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 Enterprise Center of Louisiana, 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 of the financial statements of Enterprise Center of Louisiana, Inc., we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe that the following deficiencies constitute material weakness.

The client's accounting system does not provide a mechanism whereby the preparation of financial statements in accordance with generally accepted accounting principles can be prepared internally.

Also, our auditing procedures indicated a lack of segregation of noncompatible duties. Segregation of noncompatible duties prevents one person from having significant control over the initiation, authorization and recording of transactions.

This communication is intended solely for the information of the Board of Directors, management, and oversight agencies and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Briscoe, Burke & Grigsby LLP

Certified Public Accountants

February 15, 2007
Tulsa, Oklahoma