

**LAND TRUST FOR LOUISIANA, INC.
HAMMOND, LOUISIANA**

FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

Land Trust for Louisiana, Inc.
Hammond, Louisiana
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Independent Accountant's Review Report

To the Board of Directors of
Land Trust for Louisiana, Inc.
Hammond, Louisiana

We have reviewed the accompanying financial statements of the Land Trust for Louisiana, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Land Trust for Louisiana, Inc.
Hammond, Louisiana

Supplementary Information

The supplementary information included in the Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management. We have not audited or reviewed such information and we do not express an opinion, a conclusion, nor provide any assurance on it.

*James Lambert Riggs
& Associates*

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

May 11, 2020

Financial Statements

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Statement of Financial Position
December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Current Assets:		
Cash and Cash Equivalents	\$ 69,982	\$ 72,984
Accounts Receivable	<u>-</u>	<u>-</u>
Total Current Assets	69,982	72,984
Other Assets:		
Restricted Cash	12,160	19,191
Restricted Investments	693,111	314,563
Security Deposits	<u>150</u>	<u>150</u>
Total Other Assets	<u>705,421</u>	<u>333,904</u>
 Total Assets	 <u>\$ 775,403</u>	 <u>\$ 406,888</u>
Liabilities and Net Assets		
Liabilities:		
Current Liabilities:		
Accounts Payable	\$ <u>588</u>	\$ <u>760</u>
Total Current Liabilities	<u>588</u>	<u>760</u>
 Total Liabilities	 588	 760
Net Assets:		
Without Donor Restrictions	774,815	406,128
With Donor Restrictions	<u>-</u>	<u>-</u>
 Total Net Assets	 <u>774,815</u>	 <u>406,128</u>
 Total Liabilities and Net Assets	 <u>\$ 775,403</u>	 <u>\$ 406,888</u>

See accompanying notes and independent accountant's review report.

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Statement of Activities
For the Years Ended December 31, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenues & Other Support:						
New Orleans Sewerage and Water Board Grant	\$ 2,365	\$ -	\$ 2,365	\$ 2,080	\$ -	\$ 2,080
Contributions	82,908	-	82,908	124,330	-	124,330
Fundraising Income	4,162	-	4,162	69,124	-	69,124
Easement Fee Income	70,400	-	70,400	23,000	-	23,000
Private Grants	19,293	-	19,293	-	-	-
Unrealized Gain / (Loss)	49,427	-	49,427	(16,610)	-	(16,610)
Investment Income	491	-	491	221	-	221
Proceeds from Sale of Land	328,170	-	328,170	-	-	-
In-Kind Contributions	50,000	-	50,000	-	-	-
Other Income	213	-	213	196	-	196
Total Revenues & Other Support	607,429	-	607,429	202,341	-	202,341
Expenses:						
Program Services	132,008	-	132,008	71,570	-	71,570
Supporting Activities:						
Management and General	84,843	-	84,843	85,366	-	85,366
Fundraising	21,891	-	21,891	36,548	-	36,548
Total Expenses	238,742	-	238,742	193,484	-	193,484
Increase / (Decrease) in Net Assets	368,687	-	368,687	8,857	-	8,857
Net Assets - Beginning of the Year	406,128	-	406,128	397,271	-	397,271
Net Assets - End of the Year	\$ 774,815	\$ -	\$ 774,815	\$ 406,128	\$ -	\$ 406,128

See accompanying notes and independent accountant's review report.

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Statement of Functional Expenses
For the Year Ended December 31, 2019

	<u>Program Services</u>			<u>Supporting Activities</u>			
	<u>Community Conservation</u>	<u>Statewide Programs</u>	<u>Stewardship</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Bank Charges	\$ -	\$ -	\$ -	\$ -	\$ 417	\$ 1,107	\$ 1,524
Conferences & Seminars	-	321	-	321	786	457	1,564
Contract Services	2,240	-	-	2,240	-	-	2,240
Insurance	-	-	1,020	1,020	6,485	-	7,505
Legal & Professional Fees	-	12,841	-	12,841	4,250	6,395	23,486
Membership Expenses	175	2,400	-	2,575	-	1,206	3,781
Miscellaneous	-	2,100	14,346	16,446	2,010	3,681	22,137
Music & Entertainment	-	-	-	-	-	100	100
Office	7	45	194	246	1,966	1,044	3,256
Rent	390	1,590	-	1,980	5,310	510	7,800
Salaries & Benefits	-	90,429	2,981	93,410	61,853	4,084	159,347
Supplies	-	-	-	-	-	3,277	3,277
Telephone	30	30	-	60	1,421	30	1,511
Travel	-	869	-	869	345	-	1,214
	<u>\$ 2,842</u>	<u>\$ 110,625</u>	<u>\$ 18,541</u>	<u>\$ 132,008</u>	<u>\$ 84,843</u>	<u>\$ 21,891</u>	<u>\$ 238,742</u>

See accompanying notes and independent accountant's review report.

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Statement of Functional Expenses (Continued)
For the Year Ended December 31, 2018

	<u>Program Services</u>			Total Program Services	<u>Supporting Activities</u>		Total
	<u>Community Conservation</u>	<u>Statewide Programs</u>	<u>Stewardship</u>		<u>Management and General</u>	<u>Fundraising</u>	
Bank Charges	\$ 45	\$ 45	\$ -	\$ 90	\$ 119	\$ 1,211	\$ 1,420
Conferences & Seminars	756	2,029	-	2,785	366	366	3,517
Contract Services	3,144	4,502	-	7,646	-	2,009	9,655
Insurance	99	592	-	691	1,580	1,556	3,827
Legal & Professional Fees	1,081	1,081	-	2,162	1,201	1,261	4,624
Membership Expenses	949	2,988	-	3,937	207	242	4,386
Miscellaneous	1,085	1,359	3,860	6,304	1,329	1,309	8,942
Music & Entertainment	-	-	-	-	-	1,208	1,208
Office	1,220	1,467	-	2,687	1,430	1,387	5,504
Rent	1,530	2,640	-	4,170	1,470	1,560	7,200
Salaries & Benefits	9,148	30,864	-	40,012	77,333	7,581	124,926
Supplies	-	-	-	-	-	16,121	16,121
Telephone	312	500	-	812	331	331	1,474
Travel	-	274	-	274	-	406	680
	<u>\$ 19,369</u>	<u>\$ 48,341</u>	<u>\$ 3,860</u>	<u>\$ 71,570</u>	<u>\$ 85,366</u>	<u>\$ 36,548</u>	<u>\$ 193,484</u>

See accompanying notes and independent accountant's review report.

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Statement of Cash Flows
For the Years Ended December 31, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 368,687	\$ 8,857
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized /and Unrealized Gains on Investments	(49,427)	16,610
(Increase) / Decrease in Operating Assets:		
Accounts Receivable	-	-
Increase / (Decrease) in Operating Liabilities:		
Accounts Payable	(172)	628
Net Cash Provided by Operating Activities	319,088	26,095
 Cash Flows from Investing Activities:		
Purchase of Investments	(329,121)	(228)
Net Cash (Used in) Investing Activities	(329,121)	(228)
 Net Increase in / (Decrease in) Cash and Cash Equivalents	(10,033)	25,867
 Cash and Cash Equivalents - Beginning of the Year	92,175	66,308
 Cash and Cash Equivalents - End of the Year	\$ 82,142	\$ 92,175

See accompanying notes and independent accountant's review report.

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Notes to the Financial Statements
For the Years Ended December 31, 2019 and 2018

Introduction

The Land Trust for Louisiana, Inc. ("Land Trust") was formed in 2004. The Land Trust is a private, not-for-profit organization located in Hammond, Louisiana dedicated to the acquisition of land via donations, purchases, and conservation easements formed through collaborative partnerships. Its mission is to preserve and protect valuable natural areas and agricultural lands in Louisiana for current and future Louisiana residents. Its vision is a healthy and sustainable natural environment that supports the viability of our communities. The Land Trust's major sources of revenue are grant income, and contributions from businesses and individuals. On March 1, 2017, the Land Trust became a State Certified Conservation Organization by the Secretary of the Louisiana Department of Natural Resources.

1. Summary of Significant Accounting Policies

A. Basis of Accounting

In accordance with generally accepted accounting principles, the accompanying financial statements have been prepared on an accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

B. Basis of Presentation

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Land Trust and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Revenues are reported as increases in net assets without restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without restrictions.

Net Assets with Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulated that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

C. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Land Trust considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents.

D. Revenue and Support with Donor Restrictions and without Donor Restrictions

Contributions received are recorded as increases in net assets without donor restrictions or increases in net assets with donor restrictions, depending on the existence and / or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2019 and 2018

purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions, and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same accounting period are reported as support and revenues without restrictions.

Fundraising and other revenues are recognized as earned.

E. Concentrations of Credit Risk

Cash on Deposit and Uninsured Balances:

The Land Trust maintains its cash balances, certificates of deposit, and investments at various financial institutions. As of December 31, 2019 and 2018, the balances in the Land Trust's cash and investment accounts not covered from loss by the FDIC totaled \$693,111 and \$314,563, respectively.

F. Functional Expense Reporting

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses which are directly associated with program services or supportive services are charged directly to that functional area.

G. Fair Value Measurements

Fair value is the price the Land Trust would receive to sell an asset or pay to transfer a liability (exit price) in an orderly transaction between market participants. For those assets and liabilities recorded or disclosed at fair value, fair value is determined based upon the quoted market price, if available. If a quoted market price is not available for identical assets, fair value is determined based upon the quoted market price of similar assets or the present value of expected future cash flows considering the risks involved, including counterparty performance risk if appropriate, and using discount rates appropriate for the duration. The fair values are assigned a level within the fair value hierarchy, depending on the source of the inputs into the calculation:

Level 1: Inputs based upon quoted prices in active markets for identical assets.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset (or liability), either directly or indirectly.

Level 3: Inputs are unobservable for the asset

H. Donated Assets and Services

The Land Trust recognizes donated services, if significant in amount, which create or enhance nonfinancial assets or that require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The services donated consisted of an employee who, although employed by an outside company, worked entirely for the Land Trust as an Office Administrator. For the years ended December 31, 2019 and 2018, there were \$50,000 and \$0, respectively.

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2019 and 2018

I. Income Taxes

The Land Trust is a not-for-profit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Land Trust’s tax-exempt purpose is subject to taxation as unrelated business income.

The Land Trust has adopted ASC 740-10, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes recognized in an entity’s financial statements. The interpretation requires recognition and measurement of uncertain income tax positions using a “more-likely-than-not” approach. The adoption of this interpretation had no material impact on the Land Trust’s financial statements at December 31, 2019.

The Land Trust’s tax returns for the years ended December 31, 2019, December 31, 2018, and December 31, 2017, remain open and subject to examination by taxing authorities.

J. Fundraising Expenses

All expenses associated with fundraising activities are expensed as incurred, including those expenses related to fundraising appeals in a subsequent year.

K. 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of support and revenues and expense during the reported period. Accordingly, actual results could differ from those estimates.

2. **Investments**

Investment account balances for the years ended December 31, 2019 and 2018, respectively, are as follows:

	2019	2018
Eagle Strategies, LLC	\$ -	\$ 54,459
Eagle Strategies, LLC	-	95,804
Northshore Community Foundation	414,325	164,300
Total Investments	\$ 414,325	\$ 314,563

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2019 and 2018

3. Collections

In conformity with the practice followed by many land trusts, collections of land and easements donated and / or purchased are not capitalized. During 2019, there were two donations of property to the Land Trust. The Land Trust currently has 23 separate parcels of land and / or easements in its inventory of property under management consisting of over 7,000 acres. Through the use of consultants, attorneys and other experts, the Land Trust inventories, inspects, insures, manages and protects these properties in fulfillment of its mission to preserve and protect valuable natural areas and agricultural lands in Louisiana for current and future Louisiana residents.

4. Fair Value Measurements

The following table reflects assets and liabilities that are measured and carried at fair value on a recurring basis as of December 31, 2019:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Carrying Value
Financial Assets:				
Cash & Cash Equivalents	\$ 69,982	\$ -	\$ -	\$ 69,982
Restricted Assets:				
Cash & Cash Equivalents	12,160	-	-	12,160
Investments Securities	693,111	-	-	693,111

5. Net Assets with Donor Restrictions

The Land Trust's net assets with donor restrictions at December 31 consisted of the following:

	<u>2019</u>	<u>2018</u>
Permanent Easement Defense Funds	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ -</u>	<u>\$ -</u>

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Notes to the Financial Statements (Continued)
For the Years Ended December 31, 2019 and 2018

6. Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by satisfaction of the restricted purposes during the years ended December 31, as follows:

	2019	2018
Permanent Easement Defense Funds	\$ -	\$ -
Total	\$ -	\$ -

7. Liquidity and Availability of Financial Assets

The following reflects the Land Trust's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year.

	2019	2018
Financial Assets, at Year-End:		
Cash and Cash Equivalents	\$ 69,982	\$ 72,984
Accounts Receivable, Net	-	-
Financial Assets Available to Meet Cash Needs for General Expenses Within One Year	\$ 69,982	\$ 72,984

8. Subsequent Events

Subsequent events have been evaluated through May 11, 2020, which is the date the financial statements were available to be issued.

In March 2020, the COVID-19 virus began spreading throughout the United States. On March 22, 2020, Louisiana Governor John Bel Edwards issued a stay-at-home order limiting person-to-person contact and closing many non-essential businesses. Management has evaluated the possible impacts of this situation and believes that cash donations could potentially decrease in the current year.

In April 2020, the Land Trust applied for, and was granted, a Payroll Protection Program (PPP) loan from the United States Small Business Administration.

No other subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Other Supplemental Information

Land Trust for Louisiana, Inc.
Hammond, Louisiana
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended December 31, 2019

Agency Head: Cynthia R. Brown, Executive Director

Purpose	Amount
Salary	\$ -
Benefits - Insurance	-
Benefits - Retirement	-
Deferred Compensation	-
Benefits - Other - Supplemental Pay	-
Car Allowance	-
Vehicle Provided by Government	-
Vehicle Rental	-
Cell Phone	-
Dues	-
Per Diem	-
Reimbursements	-
Travel	-
Registration Fees	-
Conference Travel	-
Housing	-
Unvouchered Expenses	-
Special Meals	-
Other	-
	<u>\$ -</u>

Note: The Executive Director was not paid any compensation, benefits, or reimbursements with public funds received by the Land Trust for Louisiana, Inc.

See independent accountant's review report.