GREATER NEW ORLEANS, INC.
AND AFFILIATE

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016 and 2015

CONTENTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Greater New Orleans, Inc. and its affiliate,
Greater New Orleans Development Foundation
New Orleans, Louisiana

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Greater New Orleans, Inc. and its affiliate, Greater New Orleans Development Foundation (both nonprofit organizations), which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 an opinion on these consolidated financial statements based on our audits. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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. 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 consolidated financial statements.

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

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Greater New Orleans, Inc. and its affiliate, Greater New Orleans Development Foundation, as of December 31, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The 2016 and 2015 consolidated schedule of expenses, consolidating statements of financial position and the consolidating statements of activities on pages 15 - 19 are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 30, 2017 on our consideration of Greater New Orleans, Inc. and its affiliate, Greater New Orleans Development Foundation's internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts and grants 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* in considering Greater New Orleans, Inc. and its affiliate, Greater New Orleans Development Foundation's internal control over financial reporting and compliance.

June 30, 2017

Wegmann Dazet + Company

GREATER NEW ORLEANS, INC., AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2016 and 2015

	2016	2015
ASSETS		
Current assets		
Cash and cash equivalents	$ 3,215,980	$ 3,110,631
Certificate of deposits	16,205	16,120
Accounts receivable	1,037,273	720,274
Other current assets	31,685	16,835
Total current assets	4,301,143	3,863,860
Property and equipment, at cost less accumulated depreciation	171,671	220,329
Deposits	5,636	636
Total assets	$ 4,478,450	$ 4,084,825
LIABILITIES		
Current liabilities		
Accounts payable	$ 235,262	$ 29,821
Accrued payroll liabilities	278,149	457,085
Other current liabilities	373,762	158,741
Total current liabilities	887,173	645,647
NET ASSETS		
Net assets		
Unrestricted	2,368,809	2,106,130
Temporarily restricted	1,222,468	1,333,048
Total net assets	3,591,277	3,439,178
Total liabilities and net assets	$ 4,478,450	$ 4,084,825

See accompanying Notes to Consolidated Financial Statements.

GREATER NEW ORLEANS, INC., AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2016

	Unrestricted	Temporarily Restricted	Total
Revenues			
Investor contributions	$ 2,035,064	$ -	$ 2,035,064
Sponsorship	911,637	-	911,637
NORLI	-	180,943	180,943
Grants	917,267	817,462	1,734,729
Management fees	19,892	-	19,892
Interest income	1,125	-	1,125
Other income	398,484	-	398,484
Net assets released from restrictions	1,108,985	(1,108,985)	-
Total revenues	5,392,454	(110,580)	5,281,874
Expenses			
Program services			
Grants	1,276,900	-	1,276,900
Initiatives	741,602	-	741,602
Public	74,711	-	74,711
Business development	606,270	-	606,270
Communications	166,945	-	166,945
Supporting services			
General and administrative	2,263,347	-	2,263,347
Total expenses	5,129,775	-	5,129,775
Change in net assets	262,679	(110,580)	152,099
Net assets			
Beginning of year	2,106,130	1,333,048	3,439,178
End of year	$ 2,368,809	$ 1,222,468	$ 3,591,277

See accompanying Notes to Consolidated Financial Statements.

GREATER NEW ORLEANS, INC., AND AFFILIATE

CONSOLIDATED STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2015

	Unrestricted	Temporarily Restricted	Total
Revenues			
Investor contributions	$ 2,276,522	$ -	$ 2,276,522
Sponsorship	204,845	-	204,845
NORLI	-	203,495	203,495
Grants	1,471,103	1,540,734	3,011,837
Management fees	19,932	-	19,932
Interest income	727	-	727
Other income	190,792	-	190,792
Net assets released from restrictions	980,326	(980,326)	-
Total revenues	5,144,247	763,903	5,908,150
Expenses			
Program services			
Grants	1,501,227	-	1,501,227
Initiatives	385,779	-	385,779
Public	121,773	-	121,773
Business development	582,388	-	582,388
Communications	173,302	-	173,302
Supporting services			
General and administrative	2,657,419	-	2,657,419
Total expenses	5,421,888	-	5,421,888
Change in net assets	(277,641)	763,903	486,262
Net assets			
Beginning of year	2,383,771	569,145	2,952,916
End of year	$ 2,106,130	$ 1,333,048	$ 3,439,178

See accompanying Notes to Consolidated Financial Statements.

GREATER NEW ORLEANS, INC., AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	$ 152,099	$ 486,262
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	48,658	32,493
Loss on the disposal of assets	-	813
(Increase) decrease in operating assets:		
Accounts receivables	(316,999)	548,264
Other current assets	(14,850)	12,334
Other noncurrent assets	(5,000)	10,713
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	26,505	(56,798)
Other current liabilities	215,021	139,741
Net cash provided by operating activities	105,434	1,173,822
Cash flows from investing activities:		
Purchase of property and equipment	-	(220,224)
Purchase of certificate of deposit, net	(85)	(86)
Net cash used by investing activities	(85)	(220,310)
Net increase	105,349	953,512
Cash and cash equivalents at beginning of year	3,110,631	2,157,119
Cash and cash equivalents at end of year	$ 3,215,980	$ 3,110,631

See accompanying Notes to Consolidated Financial Statements.

1) Nature of activities

Greater New Orleans, Inc. (GNO, Inc.) is a non-profit corporation formed in January 2004 to spearhead economic development for the ten-parish Greater New Orleans region, which accounts for about one-third of Louisiana's economy. In collaboration with government, business and industry, and civic leaders, GNO, Inc.'s professional economic development staff works to create jobs in Southeast Louisiana, market the parishes to companies seeking to expand or relocate, and retain and grow existing businesses.

GNO, Inc.'s affiliate, Greater New Orleans Development Foundation (the Foundation) was created to provide support to the charitable, scientific and educational programs initiated and implemented by GNO, Inc.

2) Summary of significant accounting principles

Significant accounting policies followed by the companies are summarized below.

a) Financial statement presentation
GNO, Inc.'s and the Foundation's policy is to prepare its consolidated financial statements on the accrual basis of accounting, which recognizes all revenues and the related assets when earned and all expenses and the related obligations when incurred.

b) Basis of consolidation
The consolidated financial statements include the accounts of Greater New Orleans, Inc. and its affiliate Greater New Orleans Development Foundation. The Board of Directors of the Foundation consists of nine members including the current Chairman of the Board of GNO, Inc., the immediate past Board Chairman of GNO, Inc., the President and CEO of GNO, Inc., three past Chairmen of the Board of Directors of GNO, Inc., and three additional directors, none of whom is an incumbent member of the Board of Directors of GNO, Inc. GNO, Inc. and the Foundation share common facilities and personnel. All material inter-organization transactions have been eliminated.

c) Cash and cash equivalents
All cash-related items having a maturity of three months or less from the original maturity date are classified as cash and cash equivalents.

d) Accounts receivable
GNO, Inc. and the Foundation write off uncollectible accounts as they are identified. GNO, Inc.'s estimate for the allowance for doubtful accounts is based on a review of the current status of accounts receivable. Accounts receivable for GNO, Inc. is presented net of an allowance for doubtful accounts of $415,000 and $191,357 as of December 31, 2016 and 2015, respectively. No allowance for uncollectible accounts has been provided for the Foundation, as management has evaluated the accounts and believes they are all collectible.

e) Use of estimates
The preparation of the consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2) Summary of significant accounting principles (continued)

f) Property and equipment

Property and equipment are carried at cost. Depreciation of property is provided over the estimated useful lives of the assets using the straight-line method. Repairs and maintenance are expensed as incurred. Expenditures that increase the value or productive capacity of assets are capitalized. When property and equipment are retired, sold, or otherwise disposed of, the asset carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations. The estimated useful lives of depreciable assets are:

	Useful Lives
Furniture and fixtures	5 to 10 years
Equipment	5 years
Leasehold improvements	10 years

g) Certificates of deposit

Investments in certificates of deposit are stated at fair values in the statement of financial position. Investments with a maturity of less than one year are classified as current assets.

h) Description of net assets classification

Financial Accounting Standards Board Accounting Standards Codification 958, *Financial Statements for Not-for-Profit Entities*, requires the net assets and changes in net assets be reported for three classifications – permanently restricted, temporarily restricted and unrestricted based on the existence or absence of donor imposed restrictions.

GNO, Inc. and the Foundation report gifts of cash and other assets as restricted support if they are received with donor imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met or a purpose restriction is accomplished. As restrictions are met, assets are reclassified to unrestricted net assets. Funds received with the stipulation that the funds be returned if specified future events fail to occur are accounted for as refundable advances until the conditions have been substantially met.

i) Concentration of credit risk

Financial instruments that potentially subject GNO, Inc. and the Foundation to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. GNO, Inc. and the Foundation have not experienced any losses in such accounts. GNO, Inc. and the Foundation have no policy requiring collateral or other security to support its deposits.

GNO, Inc. and the Foundation at times extend credit to their investors. GNO, Inc. and the Foundation perform ongoing credit evaluations of its investors but generally do not require collateral to support accounts receivable.

j) Donated services

Donated services are recognized at fair market value as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by individuals with those skills, and would otherwise be purchased.

2) Summary of significant accounting principles (continued)

k) Advertising
GNO, Inc. and the Foundation expense advertising as incurred. Advertising expense was $63,486 and $173,496 for the years ended December 31, 2016 and 2015, respectively.

l) Income taxes
GNO, Inc. is exempt from federal and state income taxes under Section 501(c)(6) of the Internal Revenue Code. The Foundation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code.

GNO, Inc. and the Foundation adopted the provisions of Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 740, *Accounting for Uncertainty in Income Taxes*. Management of GNO, Inc. and the Foundation believe there is no material uncertain tax position and, accordingly it will not recognize any liability for unrecognized tax benefits. With few exceptions, the GNO, Inc. and the Foundation are subject to U.S. federal and state income tax examinations by tax authorities for a period of three years from the filing of those returns.

3) Property and equipment

Property and equipment is summarized as follows:

	2016	2015
Furniture and fixtures	$ 156,976	$ 156,976
Equipment	65,315	65,315
Leasehold improvements	35,627	35,627
Total costs	257,918	257,918
Less: accumulated depreciation	86,247	37,589
Property and equipment	$ 171,671	$ 220,329

4) Fair value measurement

Financial Accounting Standards Board Accounting Standards Codification (ASC 820), *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Investments and unconditional promises to give are recorded at fair value on a recurring basis. For assets that are measured at fair value in periods after initial recognition, there were no transfers between Level 1 and Level 2, or transfers into and out of Level 3 in 2016 or 2015. If such transfers were to occur, they would be recognized as of the actual date of the event. Nonrecurring fair value adjustments, if any, would typically involve impairment accounting or donated property and equipment. There were no nonrecurring fair value adjustments in 2016 or 2015. The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

4) Fair value measurement (continued)

Level 2 - Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly.

Level 3 - Unobservable inputs for which there is little or no market data and require the Foundation to develop its own assumptions.

The investments are valued at fair value. The valuation methodologies used for assets measured at fair value are as follows. Level 1 assets consist of a certificate of deposit. The Foundation has no Level 2 or 3 assets. There have been no changes in these methodologies used at December 31, 2016 and 2015.

The preceding methods described may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2016:

	Total Fair Value Assets as of December 31,2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Inputs (Level 2)	Significant Unobervable Inputs (Level 3)
Certificates of Deposit	$ 16,205	$ 16,205	$ -	$ -

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2015:

	Total Fair Value Assets as of December 31,2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Inputs (Level 2)	Significant Unobervable Inputs (Level 3)
Certificates of Deposit	$ 16,120	$ 16,120	$ -	$ -

5) Restrictions on net assets

The Foundation received several temporarily restricted grants to help fund the various projects and programs. Temporarily restricted net assets as of December 31, 2016 and 2015 consisted of the following:

	2016	2015
Coastal Vitality Project	$ 150,360	$ 310,000
Energy Sector	417,420	369,496
FEMA	15,303	15,303
GNOF - World of Work	15,792	-
IT Anywhere	87,854	75,000
Kresge Foundation	5,315	150,000
NORLI	280,447	260,665
Rockefeller Foundation	85,513	-
Technology Workforce Access Program	88,207	152,584
Youthforce NOLA	76,257	-
Total temporarily restricted assets	$ 1,222,468	$ 1,333,048

6) Federal financial assistance

The Foundation was awarded a grant from the Delta Regional Authority to expose high school students to career pathways in skilled-labor fields through skills expos, outreach, and dual-enrollment opportunities. The grant is considered to be an exchange transaction. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. Grant activity for the year ended December 31, 2016 was as follows:

	2016	2015
Grant Receipts	$ 13,582	$ 4,432
Prior Year Expenditures	9,764	-
Grant Expenditures	12,463	14,196
Due from grant at end of year	$ 8,645	$ 9,764

The Foundation was awarded grants from the Office of Community Development to assist in the activities under the Louisiana Innovation Loan and Technical Assistance Program, which is designed to provide loans and technical assistance to small business and entrepreneurs. The grants are considered to be exchange transactions. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. Grant activity for the year ended December 31, 2015 was as follows:

	2015
Grant Receipts	$ 33,120
Prior Year Expenditures	26,060
Grant Expenditures	7,060
Due from grant at end of year	$ -

6) Federal financial assistance (continued)

The Foundation was awarded a grant from the Office of Community Development to develop an implementation strategy for the adoption of the Greater New Orleans Urban Water Plan, which is designed to provide recovery to Louisiana's most at-risk communities. The grant is considered to be an exchange transaction. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. Grant activity for the years ended December 31, 2016 and 2015 were as follows:

	2016	2015
Grant Receipts	$ 131,423	$ 98,937
Prior Year Expenditures	80,004	42,698
Grant Expenditures	97,558	136,243
Due from grant at end of year	$ 46,139	$ 80,004

The Foundation was awarded a grant from the U.S. Department of Commerce Economic Development Administration to fund a project that will build the emerging environmental industries economy in Greater New Orleans. The grant is considered to be an exchange transaction. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. Grant activity for the year ended December 31, 2015 was as follows:

	2015
Grant Receipts	$ 140,812
Prior Year Expenditures	25,873
Grant Expenditures	114,939
Due from grant at end of year	$ -

The Foundation was awarded a grant from the U.S. Department of Commerce Economic Development Administration to fund a project that will research and develop case studies of disaster recovery and provide technical assistance to disaster affected communities. The grant is considered to be an exchange transaction. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. Grant activity for the year ended December 31, 2015 was as follows:

	2015
Grant Receipts	$ 161,153
Prior Year Expenditures	52,975
Grant Expenditures	108,178
Due from grant at end of year	$ -

7) Operating lease

As of June 2015, GNO, Inc. entered into a new operating lease for its headquarters. Lease payments under this lease are $14,240. This lease expires in August 2025. Future minimum rental payments under these leases are as follows:

Year Ending		Amount
2017	$	170,885
2018		170,885
2019		170,885
2020		173,964
2021		180,122
2022		180,122
2023		180,122
2024		180,122
2025		120,081

8) Employee benefit plan

GNO, Inc. maintains a 401(k) retirement plan for the benefit of all eligible employees. Employer contributions to the plan are determined annually by the Board of Directors. For the years ended December 31, 2016 and 2015, GNO, Inc. contributed approximately $59,811 and $62,133 to the plan, respectively.

9) Donated services

The value of donated services included as contributions in the consolidated financial statements and the corresponding program expenses for the year ended December 31, 2016, were travel expense of $4,800, lodging expense of $10,000, professional services expense of $1,720, meetings and events expense of $28,143, meals and entertainment expense of $4,857, telephone expense of $4,904, website development expense of $10,000, and marketing expense of $61,190.

The value of donated services included as contributions in the consolidated financial statements and the corresponding program expenses for the year ended December 31, 2015, were engineering expense of $60,930, meeting and events expense of $9,148, meals and entertainment expense of $3,342, travel expense of $4,250, and moving expense of $5,968.

10) Related party transactions

During 2015, GNO, Inc. contracted with two law firms to provide consulting services on a monthly basis. Two members of the Board of Directors are partners with these firms. The combined fees paid to the law firms for the year ended December 31, 2016 was $71,113. Other services provided by companies who were associated with GNO, Inc. Board of Directors totaled $8,366 for the year ended December 31, 2016.

10) Related party transactions (continued)

During 2015, GNO, Inc. contracted with two law firms to provide consulting services on a monthly basis. Two members of the Board of Directors are partners with these firms. The combined fees paid to the law firms for the year ended December 31, 2015 was $68,520. Other services provided by companies who were associated with GNO, Inc. Board of Directors totaled $12,541 for the year ended December 31, 2015.

11) Supplemental statement of cash flows information

Cash paid for interest expense was $-0- and $207 for the years ended December 31, 2016 and 2015, respectively.

12) Subsequent events

Management evaluated subsequent events through the date of the auditors' report, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these consolidated financial statements.

GREATER NEW ORLEANS, INC., AND AFFILIATE
SUPPLEMENTARY INFORMATION - CONSOLIDATED SCHEDULES OF EXPENSES

For the Years Ended December 31, 2016 and 2015

	2016	2015
Bad debt expense	$ 243,152	$ 344,690
Bank service charge	1,867	1,881
Contracted staff expenses	5,000	75,000
Consultants	745,534	499,080
Development	63,543	64,846
Depreciation	48,657	32,493
Dues and subscriptions	55,983	69,078
Grants	-	54,545
Grant administration	140,001	243,428
Interest	-	207
Insurance	95,232	115,278
Loss on disposal of assets	-	813
Marketing	63,486	173,496
Meetings and events	397,774	339,863
Merchant credit card fees	3,308	1,504
Other expense	-	23,243
Payroll service fees	8,455	8,078
Payroll taxes	136,483	149,062
Postage and delivery	2,431	4,040
Printing and reproduction	42,423	17,044
Professional services	18,395	77,631
Public relations	14,520	67,500
Rent expense	170,121	170,419
Repairs and maintenance	3,186	3,482
Salary and wages	2,153,725	2,310,299
Service awards	18,566	11,711
Storage	6,657	7,028
Supplies	33,827	42,889
Training and development	1,908	15,752
Technology	36,152	40,173
Telephone	48,361	52,299
Travel, meals and entertainment	421,384	300,208
Website development	89,833	42,695
401K contributions	59,811	62,133
Total expenses	$ 5,129,775	$ 5,421,888

GREATER NEW ORLEANS, INC., AND AFFILIATE
SUPPLEMENTARY INFORMATION - CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2016

	Greater New Orleans, Inc	Foundation	Totals Before Consolidating Entries	Consolidating Entries	Consolidated Totals
ASSETS					
Current assets					
Cash and cash equivalents	$ 720,768	$ 2,495,212	$ 3,215,980	$ -	$ 3,215,980
Certificate of deposits	-	16,205	16,205	-	16,205
Accounts receivable	1,461,379	164,026	1,625,405	(588,132)	1,037,273
Other current assets	31,685	-	31,685	-	31,685
Total current assets	2,213,832	2,675,443	4,889,275	(588,132)	4,301,143
Property and equipment, at cost less accumulated depreciation	171,671	-	171,671	-	171,671
Deposits	5,636	-	5,636	-	5,636
Total assets	$ 2,391,139	$ 2,675,443	$ 5,066,582	$ (588,132)	$ 4,478,450
LIABILITIES					
Current liabilities					
Accounts payable	$ 227,284	$ 596,110	$ 823,394	$ (588,132)	$ 235,262
Accrued payroll liabilities	266,348	11,801	278,149	-	278,149
Other current liabilities	348,762	25,000	373,762	-	373,762
Total current liabilities	842,394	632,911	1,475,305	(588,132)	887,173
NET ASSETS					
Net assets					
Unrestricted	1,548,745	820,064	2,368,809	-	2,368,809
Temporarily restricted	-	1,222,468	1,222,468	-	1,222,468
Total net assets	1,548,745	2,042,532	3,591,277	-	3,591,277
Total liabilities and net assets	$ 2,391,139	$ 2,675,443	$ 5,066,582	$ (588,132)	$ 4,478,450

GREATER NEW ORLEANS, INC., AND AFFILIATE
SUPPLEMENTARY INFORMATION - CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2015

	Greater New Orleans, Inc	Foundation	Totals Before Consolidating Entries	Consolidating Entries	Consolidated Totals
ASSETS					
Current assets					
Cash and cash equivalents	$ 729,130	$ 2,381,501	$ 3,110,631	$ -	$ 3,110,631
Certificate of deposits	-	16,120	16,120	-	16,120
Accounts receivable	1,033,592	133,914	1,167,506	(447,232)	720,274
Other current assets	16,835	-	16,835	-	16,835
Total current assets	1,779,557	2,531,535	4,311,092	(447,232)	3,863,860
Property and equipment, at cost less accumulated depreciation	220,329	-	220,329	-	220,329
Deposits	636	-	636	-	636
Total assets	$ 2,000,522	$ 2,531,535	$ 4,532,057	$ (447,232)	$ 4,084,825
LIABILITIES					
Current liabilities					
Accounts payable	$ 49,188	$ 427,865	$ 477,053	$ (447,232)	$ 29,821
Accrued payroll liabilities	445,340	11,745	457,085	-	457,085
Other current liabilities	158,741	-	158,741	-	158,741
Total current liabilities	653,269	439,610	1,092,879	(447,232)	645,647
NET ASSETS					
Net assets					
Unrestricted	1,347,253	758,877	2,106,130	-	2,106,130
Temporarily restricted	-	1,333,048	1,333,048	-	1,333,048
Total net assets	1,347,253	2,091,925	3,439,178	-	3,439,178
Total liabilities and net assets	$ 2,000,522	$ 2,531,535	$ 4,532,057	$ (447,232)	$ 4,084,825

GREATER NEW ORLEANS, INC., AND AFFILIATE
SUPPLEMENTARY INFORMATION - CONSOLIDATING STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2016

	GNO, Inc. Unrestricted	Foundation Unrestricted	Foundation Temporarily Restricted	Totals Before Consolidating Entries	Consolidating Entries	Consolidated Totals
Revenues						
Investor contributions	$ 2,035,064	$ -	$ -	$ 2,035,064	$ -	$ 2,035,064
Sponsorship	343,250	568,387	-	911,637	-	911,637
NORLI	-	-	180,943	180,943	-	180,943
Grants	794,709	122,558	817,462	1,734,729	-	1,734,729
Management fees	1,005,360	41,841	-	1,047,201	(1,027,309)	19,892
Interest income	-	1,125	-	1,125	-	1,125
Other income	398,484	-	-	398,484	-	398,484
Net assets released from restrictions	-	1,108,985	(1,108,985)	-	-	-
Total revenues	4,576,867	1,842,896	(110,580)	6,309,183	(1,027,309)	5,281,874
Expenses						
Program services						
Grants	802,689	1,082,148	-	1,884,837	(607,937)	1,276,900
Initiatives	613,782	187,769	-	801,551	(59,949)	741,602
Public	74,711	-	-	74,711	-	74,711
Business development	608,011	-	-	608,011	(1,741)	606,270
Communications	166,945	-	-	166,945	-	166,945
Supporting services						
General and administrative	2,109,237	511,792	-	2,621,029	(357,682)	2,263,347
Total expenses	4,375,375	1,781,709	-	6,157,084	(1,027,309)	5,129,775
Change in net assets	201,492	61,187	(110,580)	152,099	-	152,099
Net assets						
Beginning of year	1,347,253	758,877	1,333,048	3,439,178	-	3,439,178
End of year	$ 1,548,745	$ 820,064	$ 1,222,468	$ 3,591,277	$ -	$ 3,591,277

GREATER NEW ORLEANS, INC., AND AFFILIATE
SUPPLEMENTARY INFORMATION - CONSOLIDATING STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2015

	GNO, Inc. Unrestricted	Foundation Unrestricted	Foundation Temporarily Restricted	Totals Before Consolidating Entries	Consolidating Entries	Consolidated Totals
Revenues						
Investor contributions	$ 1,959,460	$ 317,062	$ -	$ 2,276,522	$ -	$ 2,276,522
Sponsorship	203,045	1,800	-	204,845	-	204,845
NORLI	-	-	203,495	203,495	-	203,495
Grants	843,411	627,692	1,540,734	3,011,837	-	3,011,837
Management fees	1,057,327	85,214	-	1,142,541	(1,122,609)	19,932
Interest income	-	727	-	727	-	727
Other income	190,792	-	-	190,792	-	190,792
Net assets released from restrictions	-	980,326	(980,326)	-	-	-
Total revenues	4,254,035	2,012,821	763,903	7,030,759	(1,122,609)	5,908,150
Expenses						
Program services						
Grants	846,337	1,391,876	-	2,238,213	(736,986)	1,501,227
Initiatives	145,976	288,893	-	434,869	(49,090)	385,779
Public	121,773	-	-	121,773	-	121,773
Business development	582,388	-	-	582,388	-	582,388
Communications	173,302	-	-	173,302	-	173,302
Supporting services						
General and administrative	2,491,531	502,421	-	2,993,952	(336,533)	2,657,419
Total expenses	4,361,307	2,183,190	-	6,544,497	(1,122,609)	5,421,888
Change in net assets	(107,272)	(170,369)	763,903	486,262	-	486,262
Net assets						
Beginning of year	1,454,525	929,246	569,145	2,952,916	-	2,952,916
End of year	$ 1,347,253	$ 758,877	$ 1,333,048	$ 3,439,178	$ -	$ 3,439,178

Edward G. Berbuesse, Jr.
Jon S. Folse
Lisa D. Englade

Kerney F. Craft, Jr.
Jonathan P. Koenig
John D. White

Wegmann Dazet & Company

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

To the Board of Directors
Greater New Orleans, Inc. and its affiliate,
Greater New Orleans Development Foundation
New Orleans, Louisiana

We have audited, in accordance with the 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 consolidated financial statements of Greater New Orleans, Inc., and its affiliate Greater New Orleans Development Foundation which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 30, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Greater New Orleans, Inc. and its affiliate, Greater New Orleans Development Foundation'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 opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Greater New Orleans, Inc. and its affiliate, Greater New Orleans Development Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of Greater New Orleans, Inc. and its affiliate, Greater New Orleans Development Foundation'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

WEGMANN DAZET & COMPANY | A PROFESSIONAL CORPORATION | CERTIFIED PUBLIC ACCOUNTANTS
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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater New Orleans, Inc. and its affiliate, Greater New Orleans Development Foundation's consolidated 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.*

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. Under Louisiana Revised Statue 24:513, this report is distributed by the Legislative Auditor as a public document.

June 30, 2017

Wegmann Dazet & Company

GREATER NEW ORLEANS, INC. AND AFFILIATE
SUMMARY OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEADS

For the Year Ended December 31, 2016

SUMMARY OF COMPENSATION

Michael Hecht
President & CEO

Purpose	**Amount**
Salary	$0
Benefits-insurance	$0
401(k) Match	$0
Parking	$0

*No other agency head expenses were derived from state and/or local assistance.