

DESOTO PARISH TOURISM COMMISSION

MANSFIELD, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2004

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 4/13/05

Marsha O. Millican
Certified Public Accountant
Shreveport, Louisiana



Marsha O. Millican
CERTIFIED PUBLIC ACCOUNTANT

Board of Commissioners
DeSoto Parish Tourism Commission
Mansfield, Louisiana

I have compiled the accompanying financial statements of DeSoto Parish Tourism Commission, a component unit of DeSoto Parish Police Jury, as of and for the year ended December 31, 2004, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

DeSoto Parish Tourism Commission did not adopt the provisions of Governmental Accounting Standards Board Statement No.34 for the year ended December 31, 2004. The effects of this departure from generally accepted accounting principles has not been determined.

Certified Public Accountant
March 28, 2005

EXHIBIT A

DESOTO PARISH TOURISM COMMISSION

Combined Balance Sheet - Fund Type and Account Group
December 31, 2004

	General Fund Type	Account Group General Fixed Assets	(Memorandum Only) Totals
Assets:			
Cash	\$ 14,360	\$ -	\$ 14,360
Certificate of Deposit	31,758	-	31,758
Due from Other Governments	2,685	-	2,685
General Fixed Assets	<u>-</u>	<u>6,511</u>	<u>6,511</u>
Total Assets	<u>\$ 48,803</u>	<u>\$ 6,511</u>	<u>\$ 55,314</u>
Liabilities:			
Payroll Taxes Payable	<u>139</u>	<u>-</u>	<u>139</u>
Total Liabilities	<u>139</u>	<u>-</u>	<u>139</u>
Fund Equity:			
Investment in General Fixed Assets	<u>-</u>	<u>6,511</u>	<u>6,511</u>
Fund Balance:			
Unreserved-Undesignated	<u>48,664</u>	<u>-</u>	<u>48,664</u>
Total Fund Balance	<u>48,664</u>	<u>-</u>	<u>48,664</u>
Total Fund Equity	<u>48,664</u>	<u>6,511</u>	<u>55,175</u>
Total Liabilities and Fund Equity	<u>\$ 48,803</u>	<u>\$ 6,511</u>	<u>\$ 55,314</u>

See accountant's compilation report.

DESOTO PARISH TOURISM COMMISSION

General Fund

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (GAAP Basis) and Actual
Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Occupancy Tax	\$ 35,000	\$ 41,304	\$ 6,304
Miscellaneous	-	105	105
Interest	<u>150</u>	<u>447</u>	<u>297</u>
Total Revenues	<u>35,150</u>	<u>41,856</u>	<u>6,706</u>
Expenditures:			
Current:			
General Government:			
Personal Services	6,925	7,710	(785)
Supplies	2,200	3,867	(1,667)
Advertising	16,575	16,420	155
Other Services and Charges	<u>9,450</u>	<u>18,263</u>	<u>(8,813)</u>
Total Expenditures	<u>35,150</u>	<u>46,260</u>	<u>(11,110)</u>
Excess of Revenue Over (Under) Expenditures	-	(4,404)	(4,404)
Fund Balance, Beginning of Year	<u>44,260</u>	<u>44,260</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 44,260</u>	<u>\$ 48,664</u>	<u>\$ (4,404)</u>

See accountant's compilation report.

DESOTO PARISH TOURISM COMMISSION

Notes to Financial Statements
December 31, 2004

DeSoto Parish Tourism Commission was created by Ordinance No. 2 of DeSoto Parish Police Jury on June 13, 1984. The ordinance states the purpose of the Commission is the promotion of conventions and tourism in the parish of DeSoto. The Commission conducts its operations as DeSoto Parish Tourist Bureau. The Commission is a component unit of DeSoto Parish Police Jury.

The Commission is governed by a board of seven directors appointed by DeSoto Parish Police Jury. Appointments are made from a list of nominees submitted to the Police Jury by DeSoto Parish Chamber of Commerce. The directors are appointed for terms of three years.

1. Summary of Significant Accounting Policies:

The Commission did not adopt the provisions of GASB NO. 34 for the year ended December 31, 2004.

The following is a summary of the more significant accounting policies:

Fund Accounting. The accounts of the Commission are organized on the basis of funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate the legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Governmental funds are used to account for all or most of a governments general activities, including acquisition or construction of general fixed assets. The general fund is used to account for all activities of the general government not accounted for in some other fund.

(Continued)

DESOTO PARISH TOURISM COMMISSION

Notes to Financial Statements
December 31, 2004

1. Summary of Significant Accounting Policies: (Continued)

Basis of Accounting. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types. Under the modified accrual basis for accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities for the current period. Hotel/Motel receipts collected by the DeSoto Parish Police Jury but not remitted to the Commission are treated as susceptible to accrual.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Budgets and Budgetary Accounting. The Commission follows the procedures listed below in establishing the budgetary data reflected in these financial statements.

The Treasurer prepares a proposed budget which is submitted to the Board for consideration and approval by the Commission.

The Commission approved budget is then presented to the DeSoto Parish Police Jury for consideration and final approval.

All budgetary appropriations lapse at the end of each year.

(Continued)

DESOTO PARISH TOURISM COMMISSION

Notes to Financial Statements
December 31, 2004

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted.

General Fixed Assets. General fixed assets purchased are recorded at cost. Donated assets are recorded at the fair market value on the date of donation.

Compensated Absences. The Commission does not compensate its employees for absence from work.

Due from Other Governments. Amounts due from other governments are considered to be fully collectible.

Total Columns on Combined Statements - Overview. Total columns on the combined statements - overview are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. Cash:
At December 31, 2004, the Commission had cash deposits in financial institutions totaling \$46,118. These balances were fully insured by FDIC insurance.
3. Due From Other Governments:
Funds for the operation of the Commission are derived from a tax the Police Jury is authorized and empowered to levy upon the occupancy of hotel rooms and overnight camping facilities within the Parish. At December 31, 2004, amounts due to the Commission from the DeSoto Parish Police Jury, which is fully collectible, totaled \$ 2,685.
4. Per Diem Paid to Commissioners:
No per diem was paid to commissioners for the period January 1, 2004 through December 31, 2004.

DESOTO PARISH TOURISM COMMISSION

Schedule of Findings

For the Year Ended December 31, 2004

Finding # 2004 -1 - Condition:

The segregation of duties is inadequate to provide effective internal control.

Finding # 2004 -1 - Cause:

The cause is due to economic and space limitations.

Finding # 2004 -1 - Recommendation:

No action is recommended.

Finding # 2004-1 - Management's Response and Corrective Action Plan:

We agree with the finding. We will make every effort to segregate duties as allowed by space and economic limitations.

Finding # 2004-2 - Condition:

Actual expenditures exceeded budgeted expenditures 5% or more. The Commission did not amend the budget. This is a repeat finding.

Finding # 2004-2 - Cause:

Oversight by management.

Finding # 2004-2 - Recommendation:

I recommend the Commission comply with the State Budget Law and amend the budget whenever actual expenditures exceed budgeted amounts by 5% or more.

Finding # 2004-2 - Management's Response and Corrective Action Plan:

We will comply with the State Budget Law in the future.

DESOTO PARISH TOURISM COMMISSION

Corrective Action Taken on Prior Year Findings

For the Year Ended December 31, 2004

Finding # 2003-1 Condition:

The segregation of duties is inadequate to provide effective internal control.

Finding # 2003-1 - Corrective Action Taken

No action was recommended and none was taken.

Finding # 2003-2 - Condition:

The Commission did not file its compiled financial statements with the Legislative Auditor within the time frame required by State Law.

Finding # 2003-2 - Corrective Action Plan:

Resolved.

Finding # 2003-3 - Condition:

Actual expenditures exceeded budgeted expenditures by more than 5%. The budget was not amended in accordance with state law.

Finding # 2003-3 - Corrective Action Taken:

Unresolved.