

Barksdale Forward, Inc.

Financial Statements (Cash Basis)

Years Ended December 31, 2009 and 2008

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

8/25/10

Barksdale Forward, Inc.

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Independent Auditor's Report

The Board of Directors
Barksdale Forward, Inc.
Shreveport, Louisiana

I have audited the accompanying statement of assets, liabilities and net assets (cash basis) of Barksdale Forward, Inc. (a nonprofit organization) as of December 31, 2009, and the related statement of support, revenue and expenses and changes in net assets (cash basis) for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit. The financial statements of Barksdale Forward, Inc. (a nonprofit organization) for the year ended December 31, 2008 were audited by other auditors whose report dated June 22, 2009 expressed an unqualified opinion on those statements.

I conducted my 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. I believe that my audit provides a reasonable basis for my opinion.

These financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Barksdale Forward, Inc. as of December 31, 2009, and its support, revenue and expenses, and the changes in its net assets for the year then ended, on the basis of accounting described in the Summary of Accounting Policies.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 11, 2010 on my consideration of Barksdale Forward, Inc.'s internal control over financial reporting and my 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 my 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.

James D. McWhorter, CPA LLC

Certified Public Accountants

Shreveport, Louisiana
June 11, 2010

Barksdale Forward, Inc.

Statements of Assets, Liabilities and Net Assets (Cash Basis)

<i>December 31,</i>	2009	2008
Assets		
Current - Cash and cash equivalents (Notes 1 and 2)	\$296,981	\$254,815
	\$296,981	\$254,815
Liabilities and Net Assets		
Liabilities:		
Withheld payroll taxes	\$ 725	\$ 710
General Harris Scholarship payable (Note 6)	33,025	-
Total liabilities - all current	33,750	710
Net assets - Unrestricted	263,231	254,105
	\$296,981	\$254,815

See accompanying summary of accounting policies and notes to financial statements.

Barksdale Forward, Inc.

Statements of Support, Revenue and Expenses and Changes in Net Assets (Cash Basis)

<i>Years Ended December 31,</i>	2009	2008
Changes in unrestricted net assets:		
Support and revenue:		
City funding (Note 3)	\$187,500	\$187,000
Grants (Note 3)	40,000	-
Interest	2,830	4,818
Total support and revenue	230,330	191,818
Program services:		
Consultants and expenses	111,000	96,000
Salaries and wages	39,450	38,852
Base support	8,384	8,579
Awareness and meetings	6,018	4,186
Payroll taxes	2,301	2,382
Insurance	436	324
Total program services	167,589	150,323
Management and general:		
Salaries and wages	39,450	38,852
Professional fees	5,403	6,823
Office and equipment rental	2,813	2,598
Payroll taxes	2,301	2,382
Subscriptions	1,230	1,180
Insurance	1,080	967
Meetings	567	287
Office expenses	465	413
Miscellaneous	5	5
Donations	-	500
Total management and general	53,314	54,007
Other income (loss)	(301)	(179)

(Continued)

Barksdale Forward, Inc.

Statements of Support, Revenue and Expenses and Changes in Net Assets (Cash Basis) *(Concluded)*

<i>Years Ended December 31,</i>	2009	2008
Increase (decrease) in unrestricted net assets	9,126	(12,691)
Net assets, beginning of year	254,105	266,796
Net assets, end of year	\$263,231	\$254,105

See accompanying summary of accounting policies and notes to financial statements.

Barksdale Forward, Inc.

Summary of Accounting Policies (Cash Basis)

Summary of Accounting Policies This summary of accounting policies of Barksdale Forward, Inc. (the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to the cash basis of accounting and have been consistently applied in the preparation of the financial statements.

Nature of Business Barksdale Forward, Inc. was incorporated and began operations May 1, 1994. Barksdale Forward, Inc. is a nonprofit organization working for the development and promotion of Barksdale Air Force Base by educating the community about the social, cultural, and economic benefits of Barksdale Air Force Base. It also works within the framework of the Department of Defense as an educational entity describing the benefits to be obtained by continuing and building on the historical relationship between Barksdale Air Force Base and the Shreveport/Bossier communities.

Method of Accounting The Organization's policy is to prepare financial statements on the cash receipts and disbursements method of accounting (cash basis); consequently, certain revenues are recognized when cash is received rather than when earned and certain expenses are recognized when cash is disbursed rather than when the obligation is incurred. Financial statements prepared on this basis of accounting are not intended to present financial position and results of operation in accordance with accounting principles generally accepted in the United States of America.

Income Taxes The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and exempt from state income tax under appropriate provisions in the laws of the State of Louisiana. The Organization is treated as a publicly supported organization, and not as a private foundation. There was no unrelated business income for the year ended December 31, 2009 and 2008. Accordingly, no provision for income taxes has been made in the financial statements.

(Continued)

Barksdale Forward, Inc.

Summary of Accounting Policies

(Cash Basis)

(Concluded)

Functional Expenses	Expenses are charged directly to program services or management and general expenses in general categories based on specific identification. Payroll and related expenses are allocated equally to program services and management and general expenses.
Subsequent Events	Management evaluated events subsequent to the organizations most recent year end through June 11, 2010, the financial statement issuance date.

Barksdale Forward, Inc.

Notes to Financial Statements (Cash Basis)

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- 1. Cash and cash equivalents** Included in cash and cash equivalents as of December 31, 2009 and 2008 are interests bearing accounts totaling \$296,981 and \$254,815, respectively.
 - 2. Concentrations of Credit Risk** During the year ended December 31, 2009 and 2008, the Organization maintained a portion of its cash balances at two financial institutions located in Shreveport, Louisiana. These balances are insured separately up to \$250,000. There are no funds included in cash and cash equivalents that exceed federal depository insurance coverages.
 - 3. Funding Sources** The organization received \$187,500 and \$187,000 in combined funding from the cities of Shreveport and Bossier City, Louisiana, whose mayors also serve on the organization's board of directors, for the years ended December 31, 2009 and 2008, respectively. Additionally, the organization received a \$40,000 grant from the Greater Bossier Economic Development Foundation during 2009.
 - 4. Major Vendor** The organization had one vendor during the years ended December 31, 2009 and 2008, which accounted for 44% and 47%, respectively of total expenditures.
 - 5. Related Party Transactions** The Organization has no permanent office location of its own. It is the practice of the Organization to reimburse its President and Chief Operating Officer for a pro-rata amount of his office rent and overhead costs. The rent and overhead allocation paid in years ended December 31, 2009 and 2008, was \$2,813 and \$2,598, respectively.

The Organization paid professional fees to an entity of which one board member has a financial interest. Fees paid in years ended December 31, 2009 and 2008 were \$903 and \$2,823, respectively.

Barksdale Forward, Inc.

Notes to Financial Statements

(Cash Basis)

(Concluded)

**6. General Harris
Scholarship
Payable**

In 2009, the organization, in conjunction with the Community Foundation of Shreveport-Bossier, established the Lieutenant General (Ret.) Edgar Starr Harris, Jr. Scholarship Fund. In connection therewith, \$33,025 in contributions were paid to the organization to be remitted to the Community Foundation of Shreveport-Bossier, which administers the scholarship.



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**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

Board of Directors
Barksdale Forward, Inc.
Shreveport, Louisiana

I have audited the financial statements of Barksdale Forward, Inc. as of and for the year ended December 31, 2009, and have issued my report thereon dated June 11, 2010. I conducted my 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 my audit, I considered the Organization's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

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 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 on a timely basis.

My consideration of internal control over financial reporting 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 deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Organization's management, the Board of Directors, Management and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.



Certified Public Accountants

Shreveport, Louisiana
June 11, 2010

Barksdale Forward, Inc.

Summary of Audit Results

Summary of Audit Results

1. The independent auditor's report expressed an unqualified opinion on the financial statements of Barksdale Forward, Inc. on the basis of accounting described in the Summary of Accounting Policies.
2. No instances of internal control deficiencies were disclosed during the examination.
3. No instances of noncompliance were disclosed during the examination.
4. No separate management letter was issued to Barksdale Forward, Inc.

Barksdale Forward, Inc.

Summary Schedule of Prior Year Audit Findings



Ref. No.	Fiscal Year Finding Initially Occurred	Description of Findings	Corrective Action Taken	Corrective Action/Partial Corrective Action Taken
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None