

**BATON ROUGE AREA SPORTS FOUNDATION, INC.**

**Baton Rouge, Louisiana**

**Reviewed Financial Statements**

**As of and for the Year Ended**  
**December 31, 2011**

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 OCT 17 2012

**DONALD C. De VILLE**  
Certified Public Accountant  
7829 Bluebonnet Boulevard  
Baton Rouge, Louisiana 70810

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*Certified Public Accountant*



*Donald C. DeVille*

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7829 BLUEBONNET BLVD.  
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(225) 767-7829

**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

March 28, 2011

Members of the Board of Directors  
Baton Rouge Area Sports Foundation, Inc.  
Baton Rouge, Louisiana

I have reviewed the accompanying statement of financial position of Baton Rouge Area Sports Foundation, Inc. (a non-profit corporation) as of December 31, 2011, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company 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, I do not express such an opinion.

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 and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Donald C. DeVille*

**BATON ROUGE AREA SPORTS FOUNDATION, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2011**

**ASSETS:**

Cash	\$86,362
Fixed Assets, net	0
<b>Total Assets</b>	<u><u>86,362</u></u>

**LIABILITES AND NET ASSETS:**

**LIABILITIES:**

Line of Credit Payable	\$3,031
Payroll Withholdings Payable	3,075
Retirement Payable	20,000
Refundable Advance	53,500
<b>Total Liabilities</b>	<u><u>79,606</u></u>

**NET ASSETS**

Unrestricted	6,756
<b>Total Net Assets</b>	<u><u>6,756</u></u>

<b>TOTAL LIABILITES AND NET ASSETS</b>	<u><u>86,362</u></u>
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See accompanying notes and accountant's review report.

**BATON ROUGE AREA SPORTS FOUNDATIONS, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2011**

**Revenues, gains and other support:**

Grants from Governmental Agencies:	
Baton Rouge Convention & Visitors Bureau	\$100,667
State of Louisiana	150,000
Grants from Others-Team Baton Rouge, Inc.	25,000
Donations	12,000
Sponsorships	5,712
Event Income	27,997
Other Income	100
<b>Total Revenue, Gains and Other Support</b>	<u><u>321,476</u></u>

**EXPENSES:**

Salaries	181,920
Payroll Taxes	12,784
Employee Benefits	25,375
Accounting	7,110
Advertising	763
Auto Expenses	10,616
Bank Charges	98
Dues and Subscriptions	70
Event Related Expenses	30,466
Insurance	5,452
Interest Expense	303
Licenses Permits	7
Postage & Printing	338
Printing	565
Professional	1,477
Sponsorships	0
Supplies	578
Telephone	123
<b>Total Expenses</b>	<u><u>278,045</u></u>

<b>Increase in Net Assets</b>	43,431
<b>Net Assets at Beginning of Year</b>	<u>(36,675)</u>
<b>NET ASSETS AT END OF YEAR</b>	<u><u>6,756</u></u>

See accompanying notes and accountant's review report.

**BATON ROUGE AREA SPORTS FOUNDATION, INC.  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2011**

**CASH FLOWS FROM OPERATING ACTIVITES:**

Changes in net assets \$43,431

**Adjustment to reconcile increases in net assets to net assets provided by operating activities:**

Depreciation 0

**(Increases) decreases in operating assets:**

Accounts receivable 0

**Increases (decreases) in operating liabilities:**

Accounts payable (2,841)

Employee payroll taxes 30

Retirement Payable 0

Refundable Advances 0

Deferred Revenue 50,000

**Net Cash Provided by Operating Activities** 90,620

**Cash Flows From Financing Activities:**

Payments on Line of Credit (2,068)

**Net Cash Provided (used) By Investing Activities** (2,068)

**Net Increase (Decrease) in Cash** 88,552

**Cash and cash equivalents at beginning of year** (2,190)

**Cash and cash equivalents at end of year** 86,362

**Supplemental Data:**

Interest Paid 303

There were no non-cash investing or financing activities.

See accompanying notes and accountant's review report.

**BATON ROUGE AREA SPORTS FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The Baton Rouge Area Sports Foundation, Inc. (Organization) is a Louisiana non-profit corporation, incorporated on June 21, 1994. The purpose of the Organization is to assist in securing and staging state-wide, regional, national and international supporting competitions and special events for the Greater Baton Rouge area, thereby having a positive economic impact on our community.

**Basis of Presentation**

The financial statements of the Organization have been prepared on the accrual basis. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Currently the Organization has no temporarily or permanently restricted net assets.

**Revenue Recognition**

Contributions and grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions and grants are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Contributions and grants received with donor-imposed restrictions that are met in the same year in which the contributions or grants are received are classified as unrestricted contributions and grants.

The Organization uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. There are no allowances for uncollectible because the receivables consist of grants and contracts receivable.

**BATON ROUGE AREA SPORTS FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**Cash and Cash Equivalents**

For the purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Prepaid**

Immaterial insurance and similar services which extend benefit over more than one accounting period have been expensed.

**Property and Equipment**

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method.

**Income Tax Status**

The Organization is exempt from Federal Income Taxes under Section 501 (c) (6) of the Internal Revenue Code. In addition, the Organization has been classified as an entity that is not a private foundation within the meaning of Section 509 (a). Accordingly, no provision has been made for income taxes in the financial statements.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to tax return examinations for the years prior to 2008.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**BATON ROUGE AREA SPORTS FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 - CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK**

The Organization maintains an account at one financial institution. The Organization's book balance as of December 31, 2011 was \$86,362. Cash in this institution was maintained in a demand. The bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

**NOTE 3 - FIXED ASSETS**

A summary of fixed assets follows:

Equipment Cost	\$2,195
Accumulated Depreciation	<u>(2,195)</u>
Book Value	<u>-0-</u>

**NOTE 4 - LEASE OBLIGATIONS**

The Organization occupies office space provided by the Baton Rouge Convention and Visitor Bureau with charge.

**NOTE 5 - LINE OF CREDIT**

The Organization has a \$20,000 line of credit at 10% at Bank One. At year-end the balance outstanding was \$3,031.

Future principal payments are as follows:

Year Ended December 31, 2012	<u>\$3,031</u>
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**NOTE 6 - PENSION PLAN**

The Organization contributes did not contribute to the executive director's pension plan this year.

**BATON ROUGE AREA SPORTS FOUNDATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 – ECONOMIC DEPENDENCY**

The Organization receives the majority of its funds provided through government grants and contracts. If significant budget cuts are made at the federal/state/local level the amount of funds the Organization receives could be reduced significantly and have an impact on its operations. Management is aware of budget cuts and is making the necessary reductions in expenses and exploring additional funding sources that hopefully not adversely affect the amount of funds the Organization will receive in the next fiscal year.

**NOTE 8 - RISK MANAGEMENT**

The Organization is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Organization has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No claims are made during the year.

**NOTE 9 - CONTINGENCIES**

The Organization receives a portion of its revenues from governmental grants and contracts, all of which are subject to audit by the governments. The ultimate determination of amounts received under these programs generally is based upon allowable cost reported to and are subject to audit by the government. Until such audits, if any, there exists a contingency to refund any amount received in excess of allowable cost. Management is of the opinion that no material liability will result from such audits.

**NOTE 10 – SUBSEQUENT EVENTS**

The Organization did not have any subsequent events through March 28, 2012, which is the date the financial statements are available to be issued for events requiring recording or disclosure in the financial statements for the year ended December 31, 2011.

**SUPPLEMENTAL INFORMATION**

*Certified Public Accountant*



**Donald C. DeVille**

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(225) 767-7829

Independent Accountant's Report  
on Applying Agreed-Upon Procedures

March 28, 2012

To: Board of Directors  
Baton Rouge Area Sports Foundation, Inc.  
Baton Rouge, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which I agreed to by the management of Baton Rouge Area Sports Foundation, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Baton Rouge Area Sports Foundation, Inc.'s compliance with certain laws and regulations during the year ended December 31, 2011, included in the accompanying *Louisiana Attestation Questionnaire*. Management of Baton Rouge Area Sports Foundation, Inc. is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

*Federal, State, and Local Awards*

1. Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Baton Rouge Area Sports Foundation, Inc.'s federal award expenditures for all federal programs for the fiscal year follow:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
<u>State of Louisiana</u>	2011		\$150,000
<u>Baton Rouge Area Convention &amp; Visitors Bureau</u>	2011		\$100,667
<b>Total Expenditures</b>			<b>\$250,667</b>

2. For each federal, state, and local award, I randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedure 2, I traced the twelve disbursements to supporting documentation as to proper amount and payee.

I examined supporting documentation for each of the twelve selected disbursements and found that payment was for the proper amount and made to the correct payee.

4. For the items selected in procedure 2, I determined if the twelve disbursements were properly coded to the correct fund and general ledger account.

All twelve of the payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, I determined whether the twelve disbursements received approval from proper authorities.

Inspection of documentation supporting each of the twelve selected disbursements indicated approvals from the accountant and the chairman of the board. In addition, each of the disbursements I re traced to the Baton Rouge Area Sports Foundation, Inc.'s minute book where they I re approved by the full board.

6. For the items selected in procedure 2: For state and local awards, I determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or un-allowed:

I reviewed the previously listed disbursements for types of services allowed or not allowed. All disbursements complied with the allow ability requirements because the service rendered did not meet the goals of the program.

Eligibility

I reviewed the previously listed disbursements for eligibility requirements. All disbursements complied with the eligibility requirements because the individuals who received the service earned an income that exceeded the program guidelines.

## Reporting

I reviewed the previously listed disbursements for reporting requirements. All disbursements complied with the reporting requirements.

7. For the programs selected for testing in item (2) that had been closed out during the period under review, I compared the close-out report, when required, with the agency's financial records to determine whether the amounts agree.

The twelve disbursements selected included one state and one local program that were closed out during the period of our review. The Organization files quarterly reports with the state. The information reported was traced to supporting documentation without exception.

## Open Meetings

8. I examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

Baton Rouge Area Sports Foundation, Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of the Organization's office building.

## Budget

9. For all grants exceeding five thousand dollars, I determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Baton Rouge Area Sports Foundation, Inc. provided comprehensive budgets to the applicable state grantor agencies for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the projects, and plans showing specific goals and objectives that included measures of performance.

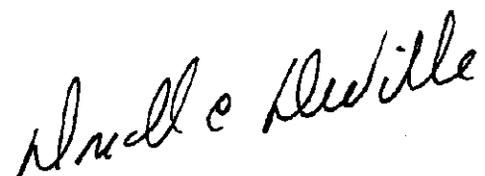
## Prior Comments and Recommendations

10. I reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

In the compilation engagement for the year ended December 31, 2010, I reported that Organization had a net asset deficit of \$36,675. The Organization has managed to eliminate the net asset deficit.

I was not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Baton Rouge Area Sports Foundation, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



**BATON ROUGE AREA SPORTS FOUNDATION, INC.**  
**BATON ROUGE, LOUISIANA**  
**CORRECTIVE ACTION PLAN**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**Finding 2011-1**

**Description of Findings** – The Organization has a fund deficit of \$18,244.

**Corrective Action Plan** – Management has reduced the deficit this year and plans eliminate the deficit by year-end.

**Name of Contact** – Jerry Stovall, Executive Director

**Anticipated Completion Date** – December 31, 2012

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**LOUISIANA ATTESTATION QUESTIONNAIRE**  
**(For Attestation Engagements of Quasi-public Agencies)**

March 7, 2012 (Date Transmitted)

Donald C. DeVille, CPA  
7829 Bluebonnet Blvd  
Baton Rouge, LA 70810

(Auditors)

In connection with your review of our financial statements as of December 31, 2011 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of March 7, 2012.

**Federal, State, and Local Awards**

We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes [] No [ ]

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes [] No [ ]

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes [] No [ ]

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes [] No [ ]

**Open Meetings**

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

Yes [] No [ ]

**Budget**

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes [] No [ ]

**Prior Year Comments**

We have resolved all prior-year recommendations and/or comments.

Yes [] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

3/22/12 Secretary Shelley C. Mockler  
 \_Date  
3/21/12 Treasurer Shelley C. Mockler  
 \_Date  
3/21/12 President James L. Steward  
 Date