

STATE OF LOUISIANA LEGISLATIVE AUDITOR

Louisiana Strawberry Marketing Board
Department of Agriculture and Forestry
State of Louisiana
Baton Rouge, Louisiana

August 27, 2003



Financial and Compliance Audit Division

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Albert J. Robinson, Jr., CPA

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LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
Baton Rouge, Louisiana

Basic Financial Statements and
Independent Auditor's Reports
As of June 30, 2003, and for the
Years Ended June 30, 2003 and 2002
With Supplemental Financial Information

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor and at the office of the parish clerk of court.

August 27, 2003

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Basic Financial Statements and
Independent Auditor's Reports
As of June 30, 2003, and for the
Years Ended June 30, 2003 and 2002
With Supplemental Financial Information

CONTENTS

| | Statement | Page No. |
|--|------------------|-----------------|
| Independent Auditor's Report on the Financial Statements | | 2 |
| Management's Discussion and Analysis | | 4 |
| Basic Financial Statements: | | |
| Statement of Net Assets | A | 7 |
| Statement of Revenues, Expenses, and Changes in Fund Net Assets | B | 8 |
| Statement of Cash Flows | C | 9 |
| Notes to the Financial Statements | | 10 |
| Other Supplemental Information: | | |
| Annual Fiscal Report to the Office of the Governor, Division of Administration, Office of Statewide Reporting and Accounting Policy, as of and for the Year Ended June 30, 2003 | | |
| | Exhibit | |
| Other Report Required by <i>Government Auditing Standards</i> - Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of the Basic Financial Statements | A | |



OFFICE OF
LEGISLATIVE AUDITOR
STATE OF LOUISIANA
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August 6, 2003

Independent Auditor's Report
on the Financial Statements

LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited the accompanying basic financial statements of the Louisiana Strawberry Marketing Board, a component unit of the State of Louisiana, as of June 30, 2003, and for the years ended June 30, 2003 and 2002. These financial statements are the responsibility of management of the Louisiana Strawberry Marketing Board. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Strawberry Marketing Board as of June 30, 2003, and its changes in net assets and its cash flows for the years ended June 30, 2003 and 2002, in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1-A to the financial statements, the Louisiana Strawberry Marketing Board adopted the provisions of the Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments*, as of July 1, 2001.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 6, 2003, on our consideration of the Louisiana Strawberry Marketing Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws and regulations. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

LEGISLATIVE AUDITOR

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Audit Report, June 30, 2003

Management's discussion and analysis on pages 4 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Louisiana Strawberry Marketing Board's basic financial statements. The accompanying supplemental financial information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Louisiana Strawberry Marketing Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,



Grover C. Austin, CPA
First Assistant Legislative Auditor

BB:STD:THC:dI

[BERRY03]

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The management's discussion and analysis of the Louisiana Strawberry Marketing Board's financial performance presents a narrative overview and analysis of the board's financial activities for the year ended June 30, 2003. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this information in conjunction with the board's basic financial statements, which begins on page 7.

FINANCIAL HIGHLIGHTS

- The board's assets exceeded its liabilities at the close of fiscal year 2003 by \$26,262, which represents a 31% decrease from last fiscal year. The net assets decreased by \$11,765.
- The board's operating revenue increased by \$3,094 (or 23%) and the net results from activities decreased by \$39,388 (or 144%).

OVERVIEW OF THE FINANCIAL STATEMENTS

These financial statements consist of three sections - *Management's Discussion and Analysis* (this section), the basic financial statements (including the notes to the financial statements), and supplementary information.

Basic Financial Statements

The basic financial statements present information for the board, as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Statement of Net Assets (page 7) presents the current and long-term portions of assets and liabilities separately. However, the board does not have any long-term portions. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the board's financial position is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (page 8) presents information showing how the board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, transactions are included that will not affect cash until future fiscal periods.

LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
Management's Discussion and Analysis (Continued)

The Statement of Cash Flows (page 9) presents information showing how the board's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE BOARD

Statement of Net Assets

| | Net Assets, As of | |
|---------------------------------|----------------------|----------------------|
| | <u>June 30, 2003</u> | <u>June 30, 2002</u> |
| Current and other assets | \$26,262 | \$38,027 |
| Current liabilities | <u>NONE</u> | <u>NONE</u> |
| Total net assets - unrestricted | <u>\$26,262</u> | <u>\$38,027</u> |

Statement of Revenues, Expenses,
and Changes in Fund Net Assets

| | For the Year Ended | |
|-----------------------------------|----------------------|----------------------|
| | <u>June 30, 2003</u> | <u>June 30, 2002</u> |
| Operating revenues | \$16,801 | \$13,707 |
| Operating expenses | <u>(28,566)</u> | <u>(1,084)</u> |
| Operating income (loss) | (11,765) | 12,623 |
| Nonoperating revenues | <u>NONE</u> | <u>15,000</u> |
| Increase (decrease) in net assets | <u>(\$11,765)</u> | <u>\$27,623</u> |

The board's total revenues decreased by \$11,906 (or 41%). The total cost of all programs and services increased by \$27,482 (or 2,535%).

CAPITAL ASSETS AND DEBT ADMINISTRATION

The board has no capital assets or debt at June 30, 2003.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**
Management's Discussion and Analysis (Concluded)

**CONTACTING THE LOUISIANA STRAWBERRY MARKETING
BOARD'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, and customers with a general overview of the Louisiana Strawberry Marketing Board's finances and to show the board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Linda R. Chaney, Louisiana Department of Agriculture and Forestry, Post Office Box 631, Baton Rouge, Louisiana 70821-0631.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Statement of Net Assets, June 30, 2003

ASSETS

Current assets:

| | |
|-----------------------------------|-----------|
| Cash (note 2) | \$26,240 |
| Accounts receivable - assessments | <u>22</u> |

| | |
|--------------|---------------|
| Total assets | <u>26,262</u> |
|--------------|---------------|

LIABILITIES

NONE

NET ASSETS - Unrestricted

\$26,262

The accompanying notes are an integral part of this statement.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

**Statement of Revenues, Expenses,
and Changes in Fund Net Assets
For the Years Ended June 30, 2003 and 2002**

| | <u>2003</u> | <u>2002</u> |
|--|------------------------|------------------------|
| Operating revenues - assessments | <u>\$16,801</u> | <u>\$13,707</u> |
| Operating expenses: | | |
| Advertising | 28,566 | 1,002 |
| Miscellaneous | | <u>82</u> |
| Total operating expenses | <u>28,566</u> | <u>1,084</u> |
| Operating (loss) income | (11,765) | 12,623 |
| Nonoperating revenues - federal grant (note 6) | <u>NONE</u> | <u>15,000</u> |
| Change in net assets | (11,765) | 27,623 |
| TOTAL NET ASSETS AT BEGINNING OF YEAR, AS RESTATED (note 5) | <u>38,027</u> | <u>10,404</u> |
| TOTAL NET ASSETS AT END OF YEAR | <u><u>\$26,262</u></u> | <u><u>\$38,027</u></u> |

The accompanying notes are an integral part of this statement.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

**Statement of Cash Flows
For the Years Ended June 30, 2003 and 2002**

| | <u>JUNE 30, 2003</u> | <u>JUNE 30, 2002</u> |
|--|--------------------------|--------------------------|
| Cash flows from operating activities: | | |
| Cash received from assessments | \$16,962 | \$15,494 |
| Cash paid to suppliers for goods and services | <u>(28,566)</u> | <u>(2,285)</u> |
| Net cash (used) provided by operating activities | (11,604) | 13,209 |
| Cash flows from nonoperating activities: | | |
| Operating grant received | <u>NONE</u> | <u>15,000</u> |
| Net (decrease) increase in cash | (11,604) | 28,209 |
| Cash at beginning of year | <u>37,844</u> | <u>9,635</u> |
| Cash at end of year | <u><u>\$26,240</u></u> | <u><u>\$37,844</u></u> |
| Reconciliation of operating (loss) income to net cash used by operating activities: | | |
| Operating (loss) income | (11,765) | 12,623 |
| Changes in assets and liabilities: | | |
| Decrease in receivables | 161 | 1,786 |
| (Decrease) in payables | <u>(1,200)</u> | <u>(1,200)</u> |
| Net cash (used) provided by operating activities | <u><u>(\$11,604)</u></u> | <u><u>\$13,209</u></u> |

The accompanying notes are an integral part of this financial statement.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Notes to the Financial Statements
As of June 30, 2003, and for the Years
Ended June 30, 2003 and 2002

INTRODUCTION

The Louisiana Strawberry Marketing Board is a component unit of the State of Louisiana created within the Louisiana Department of Agriculture and Forestry, as provided by Louisiana Revised Statute 3:473. The board consists of 13 members, 12 of whom are appointed by the governor and must be residents of the parishes of Ascension, Livingston, or Tangipahoa. Seven of the 12 appointees are strawberry growers: one is a person with financial interest in the strawberry industry; one is a banker with knowledge of the strawberry industry; one is the director of the Louisiana State University Agricultural Experiment Station at Hammond, Louisiana; one is an agricultural chemical dealer with knowledge of the strawberry industry; and one is a consumer with knowledge of the strawberry industry. The thirteenth member is the Commissioner of Agriculture and Forestry, who serves as ex-officio with all rights, duties, and privileges of the other members. All board members serve terms concurrent with the governor and receive no compensation.

The board is charged with the responsibility of promoting the general well-being of the strawberry industry of the State of Louisiana by expanding the market for strawberries and increasing consumption through acquainting the general public with the health-giving qualities and food value of Louisiana grown strawberries wherever they may be sold. The board operates on self-generated revenues and the funds are used for promotional and operational expenses. Personnel of the Louisiana Department of Agriculture and Forestry perform all collection and administrative functions of the board. The board has no employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and reporting standards. These principles are found in the *Codification of Governmental Accounting and Financial Reporting Standards*, published by the GASB. The commission applies all GASB pronouncements as well as Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

These financial statements include the implementation of GASB Statement Number 34, *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* and related standards. This new standard provides for significant changes in terminology, recognition of contributions in the Statement of Revenues, Expenses, and Changes in Fund Net Assets, inclusion of a management discussion and analysis as required supplementary information, and other changes.

B. REPORTING ENTITY

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and has defined the governmental reporting entity to be the State of Louisiana. The board is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and can impose his will on the board. The accompanying financial statements present only the activity of the Louisiana Strawberry Marketing Board. Annually, the State of Louisiana issues basic financial statements, which include the activity contained in the accompanying financial statements.

C. FUND ACCOUNTING

All activities of the board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

D. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statement. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The transactions of the board are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Assets.

Revenues are recognized in the accounting period when they are earned and expenses are recognized when the related liability is incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and/or producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

nonoperating revenues and expenses. The principal operating revenue of the board derives from assessments levied on strawberries produced and/or distributed in Louisiana.

E. BUDGET PRACTICES

The board does not adopt a formal budget on a fiscal year basis. However, for the fiscal year, the board allocates amounts to be spent for the promotion of strawberries.

F. CASH

Cash includes demand deposits and cash in the state treasury. Under state law, the board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States.

G. CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

The board has no capital assets or long-term obligations at June 30, 2003.

**H. COMPENSATED ABSENCES, PENSION
BENEFITS, AND POSTRETIREMENT
HEALTH CARE AND LIFE INSURANCE
BENEFITS**

The board has no employees. Employees of the Department of Agriculture and Forestry perform all transactions. Therefore, no compensated absences, pension benefits, or postretirement benefits are provided by the board.

I. NET ASSETS

Net assets comprise the various net earnings from operation, nonoperating revenues, expenses and contributions of capital. Net assets generally are classified in the following components:

Invested in capital assets, net of related debt - consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted - consists of external constraints placed on net asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Notes to the Financial Statements (Continued)

Unrestricted - consists of all other net assets that are not included in the other categories previously mentioned.

J. ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. CASH

As reflected on Statement A at June 30, 2003, the board has cash totaling \$26,240 consisting of the following:

| | |
|----------------------------|------------------------|
| Demand deposits | \$1,518 |
| Cash in the state treasury | <u>24,722</u> |
| Balance at June 30, 2003 | <u><u>\$26,240</u></u> |

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At June 30, 2003, the board has \$1,518 in deposits (collected bank balances), excluding cash in state treasury. These deposits are fully secured from risk by federal deposit insurance (GASB Risk Category 1).

Cash balances held and controlled by the state treasurer are secured from risk by the state treasurer through separate custodial agreements, and the risk disclosures required by accounting principles generally accepted in the United States of America are included within the state's basic financial statements.

3. LEASE OBLIGATIONS

The board has no capital or operating lease commitments at June 30, 2003.

4. LITIGATION AND CLAIMS

No litigation is pending against the board at June 30, 2003.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Notes to the Financial Statements (Concluded)

5. NET ASSETS RESTATED

The beginning net assets as reflected on Statement B has been restated to adjust for an overstatement of accounts receivable at June 30, 2001.

| | |
|--|-----------------|
| Net Assets, June 30, 2001 | \$10,702 |
| Adjustments | <u>(298)</u> |
| Net Assets, June 30, 2001, as restated | <u>\$10,404</u> |

6. FEDERAL GRANT

The Louisiana Strawberry Marketing Board received a one-time crop grant of \$15,000 from the United States Commodity Credit Corporation during fiscal year 2002. The funds received under this grant were expended for strawberry advertisements during fiscal year 2003.

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
OTHER SUPPLEMENTAL INFORMATION
As of and for the Year Ended June 30, 2003**

**ANNUAL FISCAL REPORT TO THE OFFICE OF
THE GOVERNOR, DIVISION OF ADMINISTRATION,
OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY**

The following supplemental information presents the financial position of the Louisiana Strawberry Marketing Board as of June 30, 2003, and the results of its operations for the year then ended. The information is presented in the format requested by the Office of Statewide Reporting and Accounting Policy for consolidation into the Louisiana Comprehensive Annual Financial Report.

LOUISIANA STRAWBERRY MARKETING BOARD

(Agency Name)
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2003

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

| | |
|---|---|
| Balance Sheet | A |
| Statement of Revenues, Expenses, and Changes in Fund Net Assets | B |
| Statement of Activities | C |
| Statement of Cash Flows | D |

Notes to the Financial Statements

| | |
|-----|---|
| A. | Summary of Significant Accounting Policies |
| B. | Budgetary Accounting |
| C. | Deposits with Financial Institutions and Investments |
| D. | Capital Assets |
| E. | Inventories |
| F. | Restricted Assets |
| G. | Leave |
| H. | Retirement System |
| I. | Post Retirement Health Care and Life Insurance Benefits |
| J. | Leases |
| K. | Long-Term Liabilities |
| L. | Litigation |
| M. | Related Party Transactions |
| N. | Accounting Changes |
| O. | In-Kind Contributions |
| P. | Defeased Issues |
| Q. | Cooperative Endeavors |
| R. | Government-Mandated Nonexchange Transactions (Grants) |
| S. | Violations of Finance-Related Legal or Contractual Provisions |
| T. | Short-Term Debt |
| U. | Disaggregation of Receivable Balances |
| V. | Disaggregation of Payable Balances |
| W. | Subsequent Events |
| X. | Segment Information |
| Y. | Due to/Due from and Transfers |
| Z. | Liabilities Payable from Restricted Assets |
| AA. | Prior-Year Restatement of Net Assets |

Schedules

| | |
|--------------|--|
| 1 | Schedule of Per Diem Paid Board Members |
| 2 | Schedule of State Funding |
| 3 | Schedules of Long Term Debt |
| 4 | Schedules of Long Term Debt Amortization |
| 5 | Schedule of Current Year Revenue and Expenses – Budgetary Comparison of Current Appropriation – Non GAAP Basis |
| 15 | Schedule of Comparison Figures |

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 20 03

LOUISIANA STRAWBERRY MARKETING BOARD
(Agency Name)

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Skip Rhorer (Name) Assistant
Commissioner of Management & Finance (Title) of Department of Agriculture & Forestry
(Agency) who duly sworn, deposes and says, that the financial statements herewith given
present fairly the financial position of Louisiana Strawberry Marketing Board (Agency) at June
30, 2003, and the results of operations for the year then ended in accordance with policies and
practices established by the Division of Administration or in accordance with Generally
Accepted Accounting Principles as prescribed by the Governmental Accounting Standards
Board. Sworn and subscribed before me, this 14th day of July, 20 03.



Signature of Agency Official



NOTARY PUBLIC

Prepared by: Linda R. Chaney

Title: Fiscal Director

Telephone No.: 225 952 8165

Date: _____

**STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD**

Notes to the Financial Statement

As of and for the year ended June 30, 20_03

The Management's Discussion and Analysis of the Louisiana Strawberry Marketing Board 's (BTA) financial performance presents a narrative overview and analysis of board 's (BTA) financial activities for the year ended June 30, 2003. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages ____ - ____ and the board 's (BTA) financial statements, which begin on page ____.

FINANCIAL HIGHLIGHTS

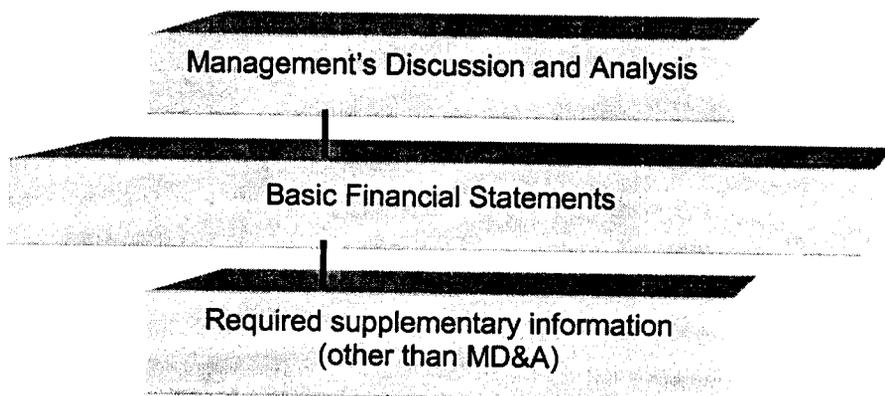
★ The board 's (BTA) assets exceeded its liabilities at the close of fiscal year 2003 by 26,262, which represents a 31 % ~~increase~~ decrease from last fiscal year. The net assets ~~increased~~ decreased by \$ 11,765 (or 31 %).

★ The board 's (BTA) operating revenue increased ~~decreased~~ \$ 3,094 (or 23 %) and the net results from activities increased ~~decreased~~ by \$ 39,388 (or 144 %).

- ★
- ★
- ★
- ★

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD
Notes to the Financial Statement
As of and for the year ended June 30, 2003

Basic Financial Statements

The basic financial statements present information for the board (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Statement of Net Assets (pages ___ - ___) presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the board (BTA) is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (pages ___ - ___) presents information showing how board's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Cash Flow Statement (pages ___ - ___) presents information showing how board's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD
 Notes to the Financial Statement
 As of and for the year ended June 30, 2003

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
 as of June 30, 2003
 (in thousands)

| | Total | |
|---|------------------|------------------|
| | 2003 | 2002 |
| Current and other assets | \$ 26,262 | \$ 38,027 |
| Capital assets | | |
| Total assets | <u>26,262</u> | <u>38,027</u> |
| Other liabilities | | |
| Long-term debt outstanding | | |
| Total liabilities | <u>0</u> | <u>0</u> |
| Net assets: | | |
| Invested in capital assets, net of debt | | |
| Restricted | | |
| Unrestricted | 26,262 | 38,027 |
| Total net assets | <u>\$ 26,262</u> | <u>\$ 38,027</u> |

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on what these amounts may be used for.

Net assets of _____'s (BTA) decreased by \$ _____, or _____%, from June 30, 2002, to June 30, 2003. One of the major causes of this decrease is the inclusion of infrastructure assets. This class of asset, which includes roads, bridges, and levees, was not included in general fixed assets of N/A (BTA) under the basis of accounting prior to adoption of GASB Statement 34. Other causes include _____.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD
 Notes to the Financial Statement
 As of and for the year ended June 30, 2003

Statement of Revenues, Expenses, and Changes in Fund Net Assets
 for the years ended June 30, 2003
 (in thousands)

| | Total | |
|--------------------------------------|-------------|-----------|
| | 2003 | 2002 |
| Operating revenues | \$ 16,801 | \$ 13,707 |
| Operating expenses | (28,566) | (1,084) |
| Operating income(loss) | (11,765) | 12,623 |
| Non-operating revenues(expenses) | 0 | 15,000 |
| Income(loss) before transfers | (11,765) | 27,623 |
| Transfers in | | |
| Transfers out | | |
| Net increase(decrease) in net assets | \$ (11,765) | \$ 27,623 |

The board's (BTA) total revenues ~~increased~~ decreased by \$ 11,906 or (41 %). The total cost of all programs and services decreased ~~increased~~ by \$ 27,482 or less more than 2535 %.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The board had no capital assets or debt at June 30, 2003.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

The board does not have a budget.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The board's (BTA) elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- _____
- _____

**STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD**

Notes to the Financial Statement

As of and for the year ended June 30, 20 03

The board (BTA) expects that next year's results will improve based on the following:

- _____
- _____

CONTACTING THE BOARD 'S (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the board 's (BTA) finances and to show the board 's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact Linda R. Chaney .

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
STATEMENT OF NET ASSETS
AS OF June 30 , 20 03

ASSETS

CURRENT ASSETS:

| | |
|--|-----------|
| Cash and cash equivalents (Note C1) | \$ 26,240 |
| Investments (Note C2) | _____ |
| Receivables (net of allowance for doubtful accounts)(Note U) | 22 |
| Due from other funds (Note Y) | _____ |
| Due from federal government | _____ |
| Inventories | _____ |
| Prepayments | _____ |
| Notes receivable | _____ |
| Restricted assets (Note F): | _____ |
| Cash | _____ |
| Investments | _____ |
| Receivables | _____ |
| Other current assets | _____ |
| Total current assets | 26,262 |

NONCURRENT ASSETS:

| | |
|--|-----------|
| Restricted assets (Note F): | _____ |
| Cash | _____ |
| Investments | _____ |
| Receivables | _____ |
| Notes receivable | _____ |
| Capital assets (net of depreciation)(Note D) | _____ |
| Land | _____ |
| Buildings and improvements | _____ |
| Machinery and equipment | _____ |
| Infrastructure | _____ |
| Construction in progress | _____ |
| Other noncurrent assets | _____ |
| Total noncurrent assets | 0 |
| Total assets | \$ 26,262 |

LIABILITIES

CURRENT LIABILITIES:

| | |
|---|----------|
| Accounts payable and accruals (Note V) | \$ _____ |
| Due to other funds (Note Y) | _____ |
| Due to federal government | _____ |
| Deferred revenues | _____ |
| Amounts held in custody for others | _____ |
| Other current liabilities | _____ |
| Current portion of long-term liabilities: | _____ |
| Contracts payable | _____ |
| Reimbursement contracts payable | _____ |
| Compensated absences payable (Note K) | _____ |
| Capital lease obligations - (Note J) | _____ |
| Notes payable | _____ |
| Liabilities payable from restricted assets (Note Z) | _____ |
| Bonds payable | _____ |
| Other long-term liabilities | _____ |
| Total current liabilities | 0 |

NON-CURRENT LIABILITIES:

| | |
|---|-------|
| Contracts payable | _____ |
| Reimbursement contracts payable | _____ |
| Compensated absences payable (Note K) | _____ |
| Capital lease obligations (Note J) | _____ |
| Notes payable | _____ |
| Liabilities payable from restricted assets (Note Z) | _____ |
| Bonds payable | _____ |
| Other long-term liabilities | _____ |
| Total long-term liabilities | 0 |
| Total liabilities | 0 |

NET ASSETS

| | |
|---|-----------|
| Invested in capital assets, net of related debt | _____ |
| Restricted for: | _____ |
| Capital projects | _____ |
| Debt service | _____ |
| Unemployment compensation | _____ |
| Other specific purposes | _____ |
| Unrestricted | 26,262 |
| Total net assets | 26,262 |
| Total liabilities and net assets | \$ 26,262 |

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED June 30, 20 03

| | |
|---|-------------------------|
| OPERATING REVENUES | |
| Sales of commodities and services | \$ _____ |
| Assessments | <u>16,801</u> |
| Use of money and property | _____ |
| Licenses, permits, and fees | _____ |
| Other | _____ |
| Total operating revenues | <u>16,801</u> |
| OPERATING EXPENSES | |
| Cost of sales and services | <u>28,566</u> |
| Administrative | _____ |
| Depreciation | _____ |
| Amortization | _____ |
| Total operating expenses | <u>28,566</u> |
| Operating income(loss) | <u>(11,765)</u> |
| NON-OPERATING REVENUES(EXPENSES) | |
| State appropriations | _____ |
| Intergovernmental revenues (expenses) | _____ |
| Taxes | _____ |
| Use of money and property | _____ |
| Gain (loss) on disposal of fixed assets | _____ |
| Federal grants | _____ |
| Interest expense | _____ |
| Other | _____ |
| Total non-operating revenues(expenses) | <u>0</u> |
| Income(loss) before contributions and transfers | <u>(11,765)</u> |
| Capital contributions | _____ |
| Transfers in | _____ |
| Transfers out | _____ |
| Change in net assets | <u>(11,765)</u> |
| Total net assets – beginning as restated | <u>38,027</u> |
| Total net assets – ending | \$ <u><u>26,262</u></u> |

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED June 30 , 20 03

| | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | |
|--|------------------|-------------------------|--|--|--|
| | Expenses | Charges for Services | Operating Grants and Contributions | | Capital Grants and Contributions |
| Component Unit: <u>(BTA)</u> | \$ <u>28,566</u> | \$ <u>NONE</u> | \$ <u>NONE</u> | \$ <u>NONE</u> | \$ <u>(28,566)</u> |
| General revenues: | | | | | |
| Taxes | | | | | <u>16,801</u> |
| State appropriations | | | | | <u> </u> |
| Grants and contributions not restricted to specific programs | | | | | <u> 0</u> |
| Interest | | | | | <u> </u> |
| Miscellaneous | | | | | <u> </u> |
| Special items | | | | | <u> </u> |
| Transfers | | | | | <u> </u> |
| Total general revenues, special items, and transfers | | | | | <u> </u> |
| Change in net assets | | | | | <u>(11,765)</u> |
| Net assets - beginning | | | | | <u>38,027</u> |
| Net assets - ending | | | | | \$ <u><u>26,262</u></u> |

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED June 30 , 20 03

Cash flows from operating activities

| | | |
|---|-----------------|-----------------|
| Cash received from customers | \$ 16,961 | |
| Cash payments to suppliers for goods and services | <u>(28,566)</u> | |
| Cash payments to employees for services | _____ | |
| Payments in lieu of taxes | _____ | |
| Internal activity-payments to other funds | _____ | |
| Claims paid to outsiders | _____ | |
| Other operating revenues(expenses) | _____ | |
| Net cash provided(used) by operating activities | | <u>(11,605)</u> |

Cash flows from non-capital financing activities

| | | |
|---|-------|----------|
| State appropriations | _____ | |
| Proceeds from sale of bonds | _____ | |
| Principal paid on bonds | _____ | |
| Interest paid on bond maturities | _____ | |
| Proceeds from issuance of notes payable | _____ | |
| Principal paid on notes payable | _____ | |
| Interest paid on notes payable | _____ | |
| Operating grants received | _____ | |
| Other | _____ | |
| Transfers in | _____ | |
| Transfers out | _____ | |
| Net cash provided(used) by non-capital financing activities | | <u>0</u> |

Cash flows from capital and related financing activities

| | | |
|---|-------|----------|
| Proceeds from sale of bonds | _____ | |
| Principal paid on bonds | _____ | |
| Interest paid on bond maturities | _____ | |
| Proceeds from issuance of notes payable | _____ | |
| Principal paid on notes payable | _____ | |
| Interest paid on notes payable | _____ | |
| Acquisition/construction of capital assets | _____ | |
| Proceeds from sale of capital assets | _____ | |
| Capital contributions | _____ | |
| Other | _____ | |
| Net cash provided(used) by capital and related financing activities | | <u>0</u> |

Cash flows from investing activities

| | | |
|--|-------|----------|
| Purchases of investment securities | _____ | |
| Proceeds from sale of investment securities | _____ | |
| Interest and dividends earned on investment securities | _____ | |
| Net cash provided(used) by investing activities | | <u>0</u> |

| | | |
|---|--|------------------|
| Net increase(decrease) in cash and cash equivalents | | <u>(11,605)</u> |
| Cash and cash equivalents at beginning of year | | <u>37,844</u> |
| Cash and cash equivalents at end of year | | <u>\$ 26,239</u> |

(Continued)

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED June 30 , 20 03

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

| | |
|---|--------------------|
| Operating income(loss) | \$ (11,765) |
| Adjustments to reconcile operating income(loss) to net cash provided by operating activities: | |
| Depreciation/amortization | _____ |
| Provision for uncollectible accounts | _____ |
| Changes in assets and liabilities: | |
| (Increase)decrease in accounts receivable, net | _____ |
| (Increase)decrease in due from other funds | _____ |
| (Increase)decrease in prepayments | _____ |
| (Increase)decrease in inventories | _____ |
| (Increase)decrease in other assets | _____ |
| Increase(decrease) in accounts payable and accruals | _____ |
| Increase(decrease) in accrued payroll and related benefits | _____ |
| Increase(decrease) in compensated absences payable | _____ |
| Increase(decrease) in due to other funds | _____ |
| Increase(decrease) in deferred revenues | _____ |
| Increase(decrease) in other liabilities | _____ |
| (Increase)decrease in accounts receivable, net | 160 |
| Net cash provided(used) by operating activities | \$ <u>(11,605)</u> |

Schedule of noncash investing, capital, and financing activities:

| | |
|--|-------------|
| Borrowing under capital lease | _____ |
| Contributions of fixed assets | _____ |
| Purchases of equipment on account | _____ |
| Asset trade-ins | _____ |
| Other (specify) | _____ |
| _____ | _____ |
| _____ | _____ |
| Total noncash investing, capital, and financing activities: | <u>NONE</u> |

(Concluded)

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 20 03

INTRODUCTION

The Louisiana Strawberry Marketing Board (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 3:473. The following is a brief description of the operations of board (BTA) which includes the parish/parishes in which the (BTA) is located:

The Louisiana Strawberry Marketing Board is a component unit of the State of Louisiana created within the Louisiana Department of Agriculture and Forestry, as provided by Louisiana Revised Statute 3:473. The board consists of 13 members, 12 of whom are appointed by the governor and must be residents of the parishes of Ascension, Livingston, or Tangipahoa. Seven of the 12 appointees are strawberry growers: one is a person with a financial interest in the strawberry industry; one is a banker with knowledge of the strawberry industry; one is the director of the Louisiana State University Agricultural Experiment Station at Hammond, Louisiana; one is an agricultural chemical dealer with knowledge of the strawberry industry; and one is a consumer with knowledge of the strawberry industry. The thirteenth member is the Commissioner of Agriculture and Forestry, who serves as ex-officio with all rights, duties, and privileges of the other members. All board members serve terms concurrent with the governor and receive no compensation.

The board is charged with the responsibility of promoting the general well-being of the strawberry industry of the State of Louisiana by expanding the market for strawberries and increasing consumption through acquainting the general public with the health-giving qualities and food value of Louisiana grown strawberries wherever they may be sold. The board operates on self-generated revenues and the funds are used for promotional and operational expenses. Personnel of the Louisiana Department of Agriculture and Forestry perform all collection and administrative functions of the board. The board has no employees.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of board present information only as to the transactions of the programs of the board as authorized by Louisiana statutes and administrative regulations. Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the board are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 20 03

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The board has no budget.

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law, the board (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the board (BTA) may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer. The deposits at June 30, 2003, were secured as follows:

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2003

| | Deposits in bank accounts | | | |
|--|---------------------------|------------------------------------|-----------------------------|--------------|
| | <u>Cash</u> | <u>Certificates of Deposit</u> | <u>Other (Describe)</u> | <u>Total</u> |
| Deposits in bank accounts per balance sheet | \$ 1,518 | \$ | \$ | \$ 1,518 |
| Bank balances: | | | | |
| 1. Insured or collateralized with securities held by the entity or its agency <u>in the entity's name</u> | 1,518 | _____ | _____ | 1,518 |
| 2. Collateralized with securities held by the pledging institution's trust department or agent <u>in the entity's name</u> | _____ | _____ | _____ | 0 |
| 3. Uncollateralized, including any securities held for the entity <u>but not in the entity's name</u> | _____ | _____ | _____ | 0 |
| Total bank balances | \$ 1,518 | \$ 0 | \$ 0 | \$ 1,518 |

NOTE: The "Total Bank Balances" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

| <u>Banking institution</u> | <u>Program</u> | <u>Amount</u> |
|---------------------------------|-----------------|-----------------|
| 1. <u>Whitney National Bank</u> | <u>checking</u> | \$ <u>1,518</u> |

Were uncollateralized securities fitting the description in (3) above during the year significantly greater than at _____ (last day of your fiscal year)? If yes, attach a statement listing the amount(s) and a reason for this occurrence.

NONE

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included in the balance sheet.

| | |
|------------------------|------------------|
| Cash in State Treasury | \$ <u>24,722</u> |
| Petty cash | \$ <u>NONE</u> |

2. INVESTMENTS

The board has no investments at June 30, 2003

**STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)**

Notes to the Financial Statement

As of and for the year ended June 30, 2003

D. CAPITAL ASSETS

The board has no capital assets at June 30, 2003.

E. INVENTORIES

The board has no inventories at June 30, 2003.

F. RESTRICTED ASSETS

The board has no restricted assets at June 30, 2003.

G. LEAVE

The board has no employees at June 30, 2003.

H. RETIREMENT SYSTEM

The board has no employees at June 30, 2003.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The board has no employees at June 30, 2003.

J. LEASES

The board has no leases at June 30, 2003.

K. LONG-TERM LIABILITIES

The board has no long-term liabilities at June 30, 2003.

L. LITIGATION

The board has no litigation at June 30, 2003.

M. RELATED PARTY TRANSACTIONS

The board has no related party transactions at June 30, 2003.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2003

N. ACCOUNTING CHANGES

The board has no accounting changes at June 30, 2003.

O. IN-KIND CONTRIBUTIONS

The board has no in-kind contributions at June 30, 2003.

P. DEFEASED ISSUES

The board has no defeased issues at June 30, 2003.

Q. COOPERATIVE ENDEAVORS

The board has no cooperative endeavors at June 30, 2003.

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

The board has no government-mandated nonexchange transactions (grants) at June 30, 2003.

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

The board has no violations of financed-related legal or contractual provisions at June 30, 2003.

T. SHORT-TERM DEBT

The board has no short-term debt at June 30, 2003.

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2003, were as follows:

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 20 03

| Activity | Customer Receivables | Taxes | Receivables from other Governments | Other Receivables | Total Receivables |
|---|-------------------------|-------|--|----------------------|----------------------|
| Promotion | \$ | \$ 22 | \$ | \$ | \$ 22 |
| | | | | | 0 |
| Gross receivables | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ |
| Less allowance for uncollectible accounts | 0 | 0 | 0 | 0 | 0 |
| Receivables, net | \$ 0 | \$ 22 | \$ 0 | \$ 0 | \$ 22 |
| Amounts not scheduled for collection during the subsequent year | \$ | \$ | \$ | \$ | \$ 0 |

V. DISAGGREGATION OF PAYABLE BALANCES

The board has no payables at June 30, 2003.

W. SUBSEQUENT EVENTS

The board has no subsequent events at June 30, 2003.

X. SEGMENT INFORMATION

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For the purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by the segment promotion of Louisiana grown strawberries.

A. Condensed statement of net assets:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTA's should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTA's should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 20 03

Condensed Statement of Net Assets:

| | |
|---|-------------------|
| Current assets | \$ <u>26,262</u> |
| Due from other funds | <u> </u> |
| Capital assets | <u> </u> |
| Other assets | <u> </u> |
| Current liabilities | <u> </u> |
| Due to other funds | <u> </u> |
| Long-term liabilities | <u> </u> |
| Restricted net assets | <u> </u> |
| Unrestricted net assets | <u>26,262</u> |
| Invested in capital assets, net of related debt | <u> </u> |

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

| | |
|--|-------------------|
| Operating revenues | \$ <u>16,801</u> |
| Operating expenses | <u>28,566</u> |
| Depreciation and amortization | <u> </u> |
| Operating income (loss) | <u>(11,765)</u> |
| Nonoperating revenues (expenses) | <u> </u> |
| Capital contributions/additions to permanent and term endowments | <u> </u> |
| Special and extraordinary items | <u> </u> |
| Transfers in | <u> </u> |
| Transfers out | <u> </u> |
| Change in net assets | <u>(11,765)</u> |
| Beginning net assets | <u>38,027</u> |
| Ending net assets | <u>26,262</u> |

STATE OF LOUISIANA
LOUISIANA STRAWBERRY MARKETING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 20 03

- C. Condensed statement of cash flows:
- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
 - (2) Beginning cash and cash equivalent balances
 - (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

| | |
|--|----------|
| Net cash provided (used) by operating activities | \$ _____ |
| Net cash provided (used) by noncapital financing activities | _____ |
| Net cash provided (used) by capital and related financing activities | _____ |
| Net cash provided (used) by investing activities | _____ |
| Beginning cash and cash equivalent balances | _____ |
| Ending cash and cash equivalent balances | <u>0</u> |

Y. DUE TO/DUE FROM AND TRANSFERS

The board has no due to/due from or transfers at June 30, 2003

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

The board has no restricted assets at June 30, 2003

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

There were no adjustments made to net assets at June 30, 2003.

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain our report on compliance with laws and regulations and on internal control as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.



OFFICE OF
LEGISLATIVE AUDITOR
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August 6, 2003

Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of the Basic Financial Statements

LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have audited the financial statements of the Louisiana Strawberry Marketing Board, a component unit of the State of Louisiana, as of June 30, 2003, and for the years ended June 30, 2003 and 2002, and have issued our report thereon dated August 6, 2003. We conducted our 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.

Compliance

As part of obtaining reasonable assurance about whether the Louisiana Strawberry Marketing Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana Strawberry Marketing Board's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the board and its management and is not intended to be, and should not be, used by anyone other than these specified parties.

EXHIBIT A

LEGISLATIVE AUDITOR

**LOUISIANA STRAWBERRY MARKETING BOARD
DEPARTMENT OF AGRICULTURE AND FORESTRY
STATE OF LOUISIANA**

Compliance and Internal Control Report
August 6, 2003
Page 2

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Grover C. Austin". The signature is fluid and cursive, with a large initial "G" and "A".

Grover C. Austin, CPA
First Assistant Legislative Auditor

BB:STD:THC:dI

[BERRY03]