

# Report Highlights

## Louisiana Agricultural Finance Authority Louisiana Department of Agriculture and Forestry

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### Why We Conducted This Audit

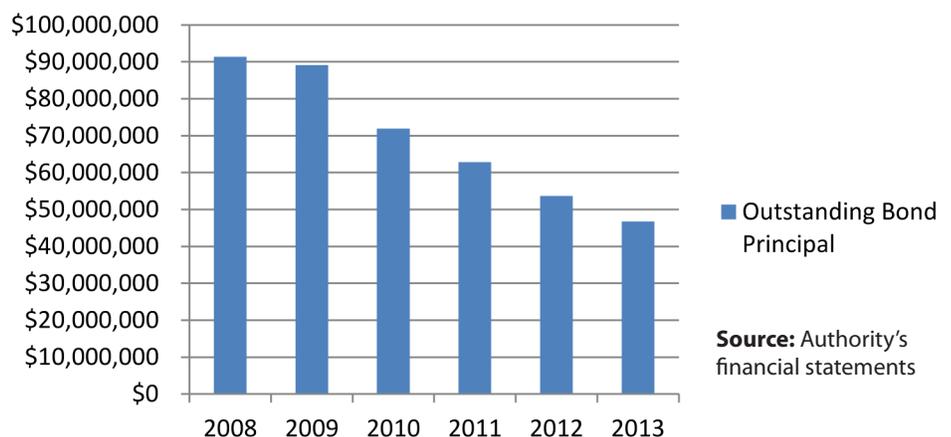
We conducted a financial statement audit of the Louisiana Agricultural Finance Authority (authority) for the year ended June 20, 2013, as part of the audit of the state and to provide accountability over public funds.

### What We Found

- The authority’s financial statements, as adjusted, are fairly stated.
- We found no weaknesses in controls related to the financial statements that required reporting, and the authority complied with related laws and regulations.
- On December 14, 2012, the authority issued \$6,705,000 in revenue bonds to pay the outstanding principal and interest balances on two loan guarantees associated with the Lake Charles Cane-Lacassine Mill, LLC’s default on its promissory note for the purchase of the Lacassine Syrup Mill (mill).
- On August 13, 2013, the authority sold the assets of LA Cypress for \$340,000 and received \$306,135 net of commissions totaling \$33,865 (10%).
- On October 31, 2013, the authority sold the assets of the Lacassine mill to Ethanol Company S.A. for \$7,000,000. The mill’s estimated fair market value at June 30, 2013, was \$8,549,581. The authority received \$5,250,000 net of commissions totaling \$1,750,000 (25%).

- As shown in the chart at right, the authority has reduced its bonded debt by 48.8% from June 30, 2008, to June 30, 2013, from \$91,308,438 to \$46,715,000. Based on the authority’s current debt amortization schedule, the principal on the bonds outstanding at June 30, 2013, will be paid in full in fiscal year 2023.

### Outstanding Bond Principal



View the full report at [www.lfa.la.gov](http://www.lfa.la.gov).