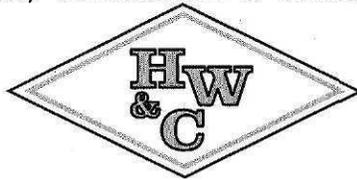


**West Baton Rouge Parish
Transportation Authority
Port Allen, Louisiana
December 31, 2011**

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June 22, 2012

Independent Auditor's Report

Board of Directors
West Baton Rouge Parish Transportation Authority
Port Allen, Louisiana

We have audited the accompanying statement of financial position of

**West Baton Rouge Parish Transportation Authority
(A Non-Profit Organization)**

as of December 31, 2011, and the related statement of activities and cash flows for the year then ended. These financial statements are the responsibility of West Baton Rouge Parish Transportation Authority's management. 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 financial statements referred to above present fairly, in all material respects, the financial position of West Baton Rouge Parish Transportation Authority as of December 31, 2011, and the change in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued or report dated June 22, 2012, on our consideration of West Baton Rouge Parish Transportation Authority's internal control over financial reporting and on our 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 our testing of internal control over financial reporting and compliance and 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.

Yours truly,

Hawthorn, Waymouth & Carroll, LLP

West Baton Rouge Parish Transportation Authority
Statement of Financial Position
December 31, 2011

A s s e t s

Current Assets	
Cash and cash equivalents	\$ 97,208
Accounts receivable	<u>168,502</u>
Total current assets	265,710
Property and Equipment	
Construction in progress	<u>1,012,984</u>
Total assets	<u>\$1,278,694</u>

L i a b i l i t i e s a n d N e t A s s e t s

Current Liabilities	
Accounts payable	\$ 260,504
Net Assets	
Unrestricted	<u>1,018,190</u>
Total liabilities and net assets	<u>\$1,278,694</u>

The accompanying notes are integral part of these financial statements.

West Baton Rouge Parish Transportation Authority
Statement of Activities
Year Ended December 31, 2011

<u>UNRESTRICTED</u>	
Support and Revenue	
State Appropriations	\$ 985,043
Interest income	<u>28</u>
Total support and revenue	<u>985,071</u>
Expenses	
Fees	<u>4</u>
Total expenses	<u>4</u>
Change in Net Assets	985,067
Net Assets, beginning of year	<u>33,123</u>
Net Assets, end of year	<u>\$1,018,190</u>

The accompanying notes are integral part of these financial statements.

West Baton Rouge Parish Transportation Authority
Statement of Cash Flows
Year Ended December 31, 2011

Cash Flows From Operating Activities	
Change in net assets	\$ 985,067
(Increase) Decrease in assets:	
Accounts receivable	(168,502)
Increase (Decrease) in liabilities:	
Accounts payable	<u>260,504</u>
Net cash provided by operating activities	<u>1,077,069</u>
Cash Flows From Investing Activities	
Purchase of property and equipment	<u>(985,043)</u>
Net cash used in investing activities	<u>(985,043)</u>
Net Increase in Cash and Cash Equivalents	92,026
Cash and Cash Equivalents, beginning of year	<u>5,182</u>
Cash and Cash Equivalents, end of year	<u>\$ 97,208</u>

The accompanying notes are integral part of these financial statements.

West Baton Rouge Parish Transportation Authority
Notes to Financial Statements
December 31, 2011

Note 1-Nature of Activities

West Baton Rouge Parish Transportation Authority's ("the Transportation Authority") exclusive objective and purpose is to engage in lawful activity in which a nonprofit corporation organized as a transportation authority under Chapter 26 of Title 28 of the Louisiana Revised Statutes of 1950, as amended, may so engage by virtue of said Act or by general law, including but not limited to the development, acquisition, installation or equipping of tollways as defined in the Act, all in accordance with the directions received from its Board of Directors.

Note 2-Summary of Significant Accounting Policies

A. Basis of Accounting and Presentation

The accompanying financial statements have been presented on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

The Transportation Authority reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted net assets include those net assets whose use by Transportation Authority is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Temporarily restricted net assets are those net assets whose use by the Transportation Authority has been limited by donors (a) to later periods of time or other specific dates, or (b) to specified purposes. Permanently restricted net assets are those net assets received with donor-imposed restrictions limiting the Transportation Authority's use of the assets. At December 31, 2011, the Transportation Authority had no temporarily or permanently restricted net assets.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

C. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Transportation Authority considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

D. Accounts Receivable

As of December 31, 2011, the Transportation Authority considered its accounts receivable to be fully collectible; therefore, no allowance for doubtful accounts was recorded.

E. Property and Equipment

Property and equipment are stated at cost, or, if donated, at the approximate fair value at the date of donation. Depreciation of property and equipment is based upon the estimated useful lives of the related assets utilizing the straight-line method. The Transportation Authority's policy is to capitalize expenditures for those items in excess of \$1,000. Lesser amounts are expensed when incurred. As of December 31, 2011, the balance of property and equipment is comprised of construction in progress; accordingly, no depreciation expense was recorded in 2011.

West Baton Rouge Parish Transportation Authority
Notes to Financial Statements
December 31, 2011

Note 2-Summary of Significant Accounting Policies (Continued)

F. Income Taxes

The Transportation Authority is currently applying for exemption status from the Internal Revenue Service.

In management's judgment, the Transportation Authority does not have any tax positions that would result in a loss contingency considering the facts, circumstances, and information available at the reporting date.

With few exceptions, the statute of limitations for the examination of the Transportation Authority's income tax returns is generally three years from the due date of the tax returns, including extensions. The tax Form 990 is prepared on a fiscal year basis. The tax years open for assessment are from the Transportation Authority's inception of 2010.

Note 3-Economic Dependency

The Transportation Authority is solely funded through State of Louisiana appropriations. If the state should fail to appropriate future funds, the Transportation Authority would no longer be able to operate without a new source of funding.

Note 4-Subsequent Events

The Transportation Authority evaluated all subsequent events through June 22, 2012, the date the financial statements were available to be issued. As a result, the Transportation Authority noted no subsequent events which required adjustment to, or disclosure in, these financial statements.

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June 22, 2012

**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***

West Baton Rouge Parish Transportation Authority
Port Allen, Louisiana

Board Members:

We have audited the financial statements of West Baton Rouge Parish Transportation Authority as of and for the year ended December 31, 2011, which collectively comprise the West Baton Rouge Parish Transportation Authority's basic financial statements of the primary government, and have issued our report thereon dated June 22, 2012. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered West Baton Rouge Parish Transportation Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Baton Rouge Parish Transportation Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of West Baton Rouge Parish Transportation Authority'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 misstatements on a timely basis. A material weakness is a deficiency, or a 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 and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Baton Rouge Parish Transportation Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of West Baton Rouge Parish Transportation Authority, management, the Louisiana State Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513 this report is distributed by the Louisiana Legislative Auditor as a public document.

Yours truly,

Hawthorn, Weymouth & Carroll, LLP

**West Baton Rouge Parish Transportation Authority
Schedule of Findings and Questioned Costs
Year Ended December 31, 2011**

Findings-Financial Statement Audit

None.