

**LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION, INC.
FEDERAL TAX SUPPLEMENT FILING
ALEXANDRIA, LOUISIANA**

**ANNUAL FINANCIAL STATEMENTS
WITH AUDITOR'S REPORTS
For the Year Ended December 31, 2009**

LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION, INC.
VIDEO POKER TAX SUPPLEMENT FUND
ALEXANDRIA, LOUISIANA

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Louisiana Quarter Home Builders Association, Inc.
Vicks-Poker Tax Supplement Fund
Alexandria, Louisiana

I have audited the accompanying statement of financial position of the Vicks-Poker Tax Supplement Fund of the Louisiana Quarter Home Builders Association, Inc. (a not-for-profit, quasi-public organization) as of December 31, 2009 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Louisiana Quarter Home Builders Association, Inc., Vicks-Poker Tax Supplement Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I 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 applied and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As disclosed in the notes, the financial statements present only the Vicks-Poker Tax Supplement Fund and are not intended to present fairly the financial position of Louisiana Quarter Home Builders Association, Inc., and the results of its operations and cash flows in conformity with generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Vicks-Poker Tax Supplement Fund of the Louisiana Quarter Home Builders Association, Inc., as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Board of Directors
Louisiana Quarter Horse Breeders Association, Inc.
Vicks-Poker Tax Supplement Fund
Monroe, Louisiana

In accordance with Government Auditing Standards, I have also issued my report dated June 23, 2001, on my consideration of the Louisiana Quarter Horse Breeders Association, Inc., Vicks-Poker Tax Supplement Fund's internal control over financial reporting and my test of its compliance with certain provisions of laws, regulations, contracts and grants. This 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 my audit.


Arthur L. Winkler, CPA

Monroe, Louisiana
June 23, 2001

LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION, INC.
 VIDEO FINDER TAX SUPPLEMENT FUND

STATEMENT OF FINANCIAL POSITION
 December 31, 2000

ASSETS

Cash and cash equivalents	<u>\$ 10,576</u>
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NET ASSETS

Temporarily restricted	<u>\$ 10,576</u>
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The accompanying notes are an integral part of this statement.
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LOUISIANA CHARTER SCHOOL BOARD ASSOCIATION, INC.
VIDEO FORUM TAX SUPPLEMENT FUND

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2008

REVENUES

Video Forum Fund Supplements	\$ 1,220,076
Reimbursement from Supplements	4,780
Contracts	<u>14,255</u>
Total Revenues	<u>\$ 1,239,111</u>

EXPENSES

Program Services	
Video forum fund supplements	<u>\$ 1,239,770</u>
Total Expenses	<u>\$ 1,239,770</u>

Change in net assets	\$ (66,659)
NET ASSETS - BEGINNING OF YEAR	<u>\$ 192,796</u>
Prior year adjustment	\$ 1,491
NET ASSETS - END OF YEAR	<u>\$ 126,628</u>

The accompanying notes are an integral part of this statement.

LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION, INC.
 VIDEO POKER TAX SUPPLEMENT FUND

STATEMENT OF CASH FLOWS
 For the Year Ended December 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in Net Assets	<u>\$ (42,581)</u>
Net Cash Provided by Operating Activities	\$ (42,581)
Cash and Cash Equivalents, Beginning of Year	\$ 142,796
Prior Period Adjustment	<u>\$ 1,449</u>
Cash and Cash Equivalents, End of Year	<u>\$ 101,664</u>

The accompanying notes are an integral part of this statement.

LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2000

(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. PRESENTATION

The accompanying financial statements reflect financial position, results of operations and changes in net assets of the Video Poker Slot Supplemental Fund only and do not include financial information of the Louisiana Quarter Horse Breeders Association, Inc. taken as a whole. The members of Louisiana Quarter Horse Breeders Association, Inc. elect the board of directors of the organization.

B. NATURE OF ACTIVITIES

The Louisiana Quarter Horse Breeders Association, Inc. is a not-for-profit entity and is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

Louisiana State Act No. 627, Senate Bill 1199 of 1993 provides allocation of Quarter Horse pure supplement awards from the Video Draw Prize (Junior Pure Supplemental Fund). One-third of the funds appropriated to the commission pursuant to the act are allocated and provided to Louisiana Quarter Horse Breeders Association, Inc. to be used to supplement purses for Louisiana-bred Quarter Horses. The funds are distributed periodically based on requests from Louisiana Quarter Horse Breeders Association, Inc. for allocated slot days during slot race meetings. The funds are maintained in a separate interest-bearing account and disbursed to the Treasurer's bookkeeper for purse distribution.

Louisiana Quarter Horse Breeders Association, Inc. was formed to foster, protect and promote the welfare and interests of individuals and concerns engaged in the breeding of Quarter Horses in Louisiana and to ensure uniformity and equity in business management hereby bringing about programs of economic and educational value to all who engage in the breeding of Quarter Horses.

LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

C. BASIS OF ACCOUNTING:

The financial statements of the Video Poker Tax Supplement Fund have been prepared on the accrual basis of accounting.

D. BASIS OF PRESENTATION:

Financial Statements follow the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Louisiana Quarter Horse Breeders Association, Inc. is required to report information regarding its financial position and activities according to three classes: unrestricted net assets, temporarily restricted assets, and permanently restricted net assets. The Video Poker Tax Supplement Fund is classified as temporarily restricted net assets and released from restriction when distributions are made to recipients.

E. STATEMENT OF CASH FLOWS

All highly liquid debt investments purchased with maturity of three months or less are considered to be cash equivalents for purposes of the statement of cash flows.

(2) **CASH AND CASH EQUIVALENTS**

The Louisiana Quarter Horse Breeders Association, Inc. deposits all funds received from allocations of the Video Poker Tax Supplement into a money market account at A.G. Edwards and Son. Dividend income is reported as income in temporarily restricted net assets in the reporting period in which the income is recognized.

(2) **FUNCTIONAL ALLOCATION OF EXPENSES**

Administrative costs of administering the Video Poker Tax Supplement activity are insignificant and have not been allocated in these financial statements.

LOUISIANA QUARTER HORSE BREEDERS ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS (CONCLUDED)

(4) **RESTRICTIONS ON NET ASSETS**

All restrictions on net assets at the end of 2000 relate to the specific purpose of trackside pari-mutuel supplements as stated by Louisiana State Act No. 627.

Temporarily restricted net assets available for periods after December 31, 2000 are \$138,576.

(5) **FUTURE ALLOCATION OF RECEIPTS**

The anticipated receipt of Video Poker Tax Supplement funds from the Louisiana State Racing Commission subsequent to December 31, 2000 are only for projects and cannot be reasonably measured. No amounts have been recorded in the financial statements as receivable. The Louisiana State Racing Commission operates on a June 30 fiscal year.

(6) **FINISH PURCHAS ADJUSTMENT**

Interest that was received in December 1999 in the amount of \$1,495 was not recorded in that period and is shown in the net asset section of the statement of activities as a prior period adjustment.

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REPORT ON COMPLIANCE AND/OR INTERNAL CONTROL DATE, FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Louisiana Quarter Horse Breeders Association, Inc.
Video Poker Tax Supplement Fund
Alexandria, Louisiana

I have audited the financial statements of the Video Poker Tax Supplement Fund of the Louisiana Quarter Horse Breeders Association, Inc. (a not-for-profit, quasi-public organization) as of and for the year ended December 31, 2000, and have issued my report thereon dated June 23, 2001. I conducted my audit in accordance with generally accepted auditing standards 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 Video Poker Tax Supplement Fund's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Video Poker Tax Supplement Fund's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting could not reasonably disclose all matters in

Board of Directors
Louisiana Quarter Horse Breeders Association, Inc.
Video Horse Fun Supplement Fund
Bossier, Louisiana

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 allow to a relatively low level of 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. I have no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information of the Board of Directors, management and the Louisiana State Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.


Andrew D. Leitchman, CPA
Bossier, Louisiana
June 25, 2008