

**Bienville Parish Tax Agency Fund  
Of the Bienville Parish School Board  
Arcadia, Louisiana**

**Financial Statements  
As of and for the Year Ended June 30, 2004**

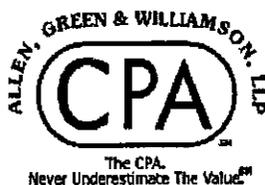
Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-26-05

**Bienville Parish Tax Agency Fund  
Of the Bienville Parish School Board**

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## INDEPENDENT AUDITORS' REPORT

### Board Members

Bienville Parish Tax Agency Fund  
of the Bienville Parish School Board  
Arcadia, Louisiana

We have audited the accompanying financial statement of the aggregate remaining fund information of the Bienville Parish Tax Agency Fund of the Bienville Parish School Board as of June 30, 2004, as listed in the table of contents. This financial statement is the responsibility of the Bienville Parish School Board's management. Our responsibility is to express an opinion on this financial statement 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 of America. 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.

As discussed in Note 1, the financial statement of the Bienville Parish Tax Agency Fund is intended to present the assets and liabilities of only that portion of the aggregate remaining fund information of the reporting entity of the Bienville Parish School Board that is attributable to the transactions of the Bienville Parish Tax Agency Fund. They do not purport to, and do not, present fairly the financial position of the Bienville Parish School Board, as of June 30, 2004, and the changes in its financial position for the year then ended in conformity with generally accepted accounting principles in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the respective financial position of the aggregate remaining fund information of the Bienville Parish Tax Agency Fund of the Bienville Parish School Board, as of June 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

The Bienville Parish Tax Agency Fund has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with Government Auditing Standards, we have also issued our report dated December 31, 2004, on our consideration of the Bienville Parish Tax Agency internal control over financial reporting and on our tests of its

compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion of 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 addressing the results of our audit.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP  
Monroe, Louisiana  
December 31, 2004

**Bienville Parish Tax Agency Fund  
Of the Bienville Parish School Board**

**Statement A**

**Statement of Fiduciary Assets and Liabilities  
June 30, 2004**

ASSETS

Cash	\$ <u>8,192</u>
Total Assets	\$ <u>8,192</u>

LIABILITIES

Deposits due others	\$ <u>8,192</u>
Total Liabilities	\$ <u>8,192</u>

The notes to the financial statements are an integral part of this statement.

**Bienville Parish Tax Agency Fund  
Of the Bienville Parish School Board**

**Notes to the Financial Statements**

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**Bienville Parish Tax Agency Fund  
Of the Bienville Parish School Board**

**Notes to the Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** The Bienville Parish Tax Agency Fund has been formed under joint agreement of the Bienville Parish School Board, the Bienville Parish Police Jury, the city of Arcadia, the town of Gibsland, the town of Ringgold and the village of Castor for the collection of sales, use taxes and other fees, in accordance with Louisiana Revised Statutes 33:2844.

**A. REPORTING ENTITY** For financial reporting purposes, in conformance with GASB Statement No. 14, the Bienville Parish Tax Agency Fund is an agency fund of the Bienville Parish School Board. Accordingly, the accompanying financial statements present only the accounts of the tax agency fund and are not intended to present fairly the financial position and results of operations of the Bienville Parish School Board in conformity with accounting principles generally accepted in the United States of America. The Bienville Parish Tax Agency Fund is included as part of the financial statements of the Bienville Parish School Board.

**B. FUND ACCOUNTS** A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures.

Funds are classified into one category, fiduciary. The category, in turn, is divided into separate "fund types." Fiduciary funds are used to account for assets held for others. The tax agency fund requires the use of a fiduciary fund as described below:

**Fiduciary Fund** — The Bienville Parish Tax Agency Fund is used to account for the collection and distribution of sales and use taxes imposed by the various taxing authorities within the parish. The agency fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

**C. BASIS OF ACCOUNTING** The basis of accounting for an agency fund is the accrual basis. The measurement focus is custodial, since the fund is not involved with the performance of governmental services. An agency fund has no revenues or expenditures and therefore there is no fund balance or need to measure the results of operations for a period.

**D. 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 statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - DEPOSITS** At June 30, 2004, the Tax Agency has cash and cash equivalents (book balances) totaling \$8,192.

**Bienville Parish Tax Agency Fund  
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**Notes to the Financial Statements**

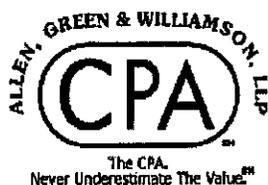
Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the Tax Agency's carrying amount of deposits was \$8,192 which is covered by federal depository insurance.

**NOTE 3 - DEPOSITS DUE OTHERS** A summary of changes in deposits due others for the year ended June 30, 2003, is as follows:

BALANCE, Beginning	<u>\$ 64,595</u>
ADDITIONS:	
Sales tax collections	<u>5,637,783</u>
DEDUCTIONS:	
Taxes distributed to others:	
Bienville Parish School Board	<u>2,859,558</u>
Bienville Parish Police Jury	<u>1,427,665</u>
City of Arcadia	<u>976,770</u>
Town of Gibsland	<u>54,729</u>
Town of Ringgold	<u>214,598</u>
Village of Castor	<u>29,405</u>
Fees for Audit of Sales Tax Vendors	<u>89,093</u>
Other Expenses (tax paid in error, tax transfer and tax refunds)	<u>42,368</u>
Total deductions	<u>5,694,186</u>
BALANCE, Ending	<u>\$ 8,192</u>

**NOTE 4 - COMMITMENTS AND CONTINGENCIES** At June 30, 2004, the Bienville Parish Tax Agency was involved in two litigations. It is the opinion of legal counsel for the Tax Agency that ultimate resolution of one lawsuit that has been dormant for three years would not materially affect the financial statements. The other lawsuit is in regards to approximately \$21,000 in sales tax paid under protest. The sales tax vendor alleges the tax in question is for periods that have prescribed or during periods for which gas compression services were tax-exempt. The source of any refund of the potential taxes will be from future sales tax collections or payments by the various governments from which the Tax Agency collects sales tax.



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## **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**

### Board Members

Bienville Parish Tax Agency Fund  
of the Bienville Parish School Board  
Arcadia, Louisiana

We have audited the financial statements of Bienville Parish Tax Agency Fund of the Bienville Parish School Board as of June 30, 2004, and have issued our report thereon dated December 31, 2004. 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 of America.

As discussed in Note 1, the financial statement of the Bienville Parish Tax Agency Fund is intended to present the assets and liabilities of only that portion of aggregate remaining fund information of the reporting entity of the Bienville Parish School Board that is attributable to the transaction of the Bienville Parish Tax Agency Fund.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bienville Parish Tax Agency Fund of the Bienville Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion 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 reportable 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 caused by error or fraud 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 a material weakness.*

### Compliance

As part of obtaining reasonable assurance about whether Bienville Parish Tax Agency Fund of the Bienville Parish School Board's financial statement is 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 that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the audit committee, management, the Bienville Parish Policy Jury, the City of Arcadia, the Town of Ringgold, the Town of Gibsland and the Village of Castor, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Allen, Green & Williamson, LLP*

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana  
December 31, 2004