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STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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July 8, 2009

Board of Directors
Greater LaPorte Economic
Development Corporation
801 Michigan Ave.
LaPorte, IN 46350

We have reviewed the audit report prepared by Parkison & Hinton, Inc., PC, Independent Public Accountants, for the period January 1, 2006 to December 31, 2007. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Greater LaPorte Economic Development Corporation, as of December 31, 2007 and 2006, and the results of its operations for the periods then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

GREATER LAPORTE ECONOMIC DEVELOPMENT CORPORATION

AUDIT REPORT

DECEMBER 31, 2007

Parkison & Hinton, Inc., P.C.

Certified Public Accountants

GREATER LAPORTE ECONOMIC DEVELOPMENT CORPORATION
AUDIT REPORT
DECEMBER 31, 2007

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Parkison & Hinton
805 Maple Ave. • La Porte, Indiana
Certified Public Accountants

Parkison & Hinton, Inc., P.C.
Post Office Box 638, LaPorte, Indiana 46352-0638 (219) 362-8547

July 22, 2008

Independent Auditor's Report

To the Board of Directors
Greater LaPorte Economic
Development Corporation
801 Michigan Avenue
LaPorte, Indiana 46350

We have audited the accompanying statement of financial position of the Greater LaPorte Economic Development Corporation as of December 31, 2007 and 2006 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Corporation'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. 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 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 the Greater LaPorte Economic Development Corporation as of December 31, 2007 and 2006, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Parkison & Hinton

Parkison & Hinton, Inc., P.C.

GREATER LAPORTE ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2007 AND 2006

	2007	2006
ASSETS		
Current Assets:		
Cash (Note 2)	$ 172,208	$ 147,839
Accounts receivable - Custodial Fund	0	1,980
Total Current Assets	172,208	149,819
Equipment, at cost, less accumulated depreciation of $107 in 2007 and $-0- in 2006 (Note 3)	2,036	0
Total Assets	$ 174,244	$ 149,819
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Credit card payable	$ 2,665	$ 323
Accrued payroll	701	467
Accrued retirement	49	33
Payroll taxes payable	2,348	2,925
Custodial Fund (Note 4)	3,311	0
Total Current Liabilities	9,074	3,748
Net Assets:		
Unrestricted	165,170	146,071
Total Liabilities and Net Assets	$ 174,244	$ 149,819

The accompanying notes are an integral part of these financial statements.

GREATER LAPORTE ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Unrestricted Net Assets		
Support		
CEDIT contributions	$ 112,500	$ 125,000
Pledge contributions	50,000	50,000
Interest income	5,072	3,151
Total Support	167,572	178,151
Expenses		
Personnel	110,774	97,982
General and Administrative	37,699	32,939
Total Expenses	148,473	130,921
Increase in Unrestricted Net Assets	19,099	47,230
Net Assets - January 1,	146,071	98,841
Net Assets - December 31,	$ 165,170	$ 146,071

The accompanying notes are an integral part of these financial statements.

GREATER LAPORTE ECONOMIC DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Cash flows from operating activities:		
Cash received from contributions	$ 162,500	$ 175,000
Cash paid to suppliers and employees	(141,060)	(183,831)
Interest received	5,072	3,151
Net cash provided (used) by operating activities	26,512	(5,680)
Cash flows from investing activities:		
Payments for property and equipment	(2,143)	0
Net increase (decrease) in cash	24,369	(5,680)
Cash at beginning of year	147,839	153,519
Cash at end of year	$ 172,208	$ 147,839

The accompanying notes are an integral part of these financial statements.

Note 1: Summary of Significant Accounting Policies

The financial statements of the Greater LaPorte Economic Development Corporation are prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statement to the reader.

Nature of Activities

The Greater LaPorte Economic Development Corporation is a not-for-profit organization with the purpose of recruiting new business and industry to the LaPorte area and to combat community deterioration by promoting stability, growth and development of business and industry. The organization is supported primarily through CEDIT contributions (County Economic Development Income Taxes). Approximately 67% and 70% of the organization's support for the years ended December 31, 2007 and 2006, respectively, came from CEDIT contributions.

Donated Assets

Assets donated to the Corporation of significant value are placed on the books at their fair market value as determined by the donor at the time of gift and substantiated by a letter of thank you by the Corporation. If they are received with donor stipulations that limit the use of the donated assets, they are reported as restricted support. When the donor restriction expires or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment are capitalized at cost. It is the Corporation's policy to capitalize expenditures for these items in excess of $500. Lesser amounts are expensed. Property and equipment are being depreciated over estimated useful lives of five years using an accelerated cost recovery method. Expenditures for major renewals and betterments which extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. The cost and related accumulated depreciation and capital costs of properties sold or otherwise disposed of are removed from the accounts and any gain or loss is credited or charged to income.

Restricted and Unrestricted Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of the donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are classified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Income Taxes

The Corporation is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense totaled $12,784 for 2007 and $5,333 for 2006.

Contingent Liabilities

The Corporation had cash accounts at December 31, 2007 with balances in excess of FDIC insured limits. The amount in excess was $382, representing the organization's uninsured cash balance.

Note 2: Cash

Cash at December 31, 2007 and 2006 consisted of the following unrestricted accounts:

	2007	2006
Petty cash	$ 100	$ 100
Cash - checking account	31,974	43,146
Cash - money market	39,752	24,593
Cash - CD	100,382	80,000
	$ 172,208	$ 147,839

The Corporation classifies investments with a maturity of three months or less, at the time of acquisition, to be cash equivalents. The organization had no such investments at December 31, 2007 or 2006.

Note 3: Property and Equipment

Major classification of property and equipment are summarized below:

	2007	2006
Cost:		
Office Equipment	$ 2,143	$ 0
Accumulated depreciation	(107)	0
	$ 2,036	$ 0

Depreciation expense totaled $107 in 2007 and $-0- in 2006.

Note 4: Custodial Funds

The Corporation had custodial funds at the end of 2007. The summary of fund activity follows:

Custodial Fund	Balance 1/1/07	Receipts	Disbursements	Balance 12/31/07
Downtown Action Committee	$ 0	$ 2,364	$ (765)	$ 1,599
ED Investment Fund-LP Co Biz	(1,980)	69,000	(65,308)	1,712

Note 5: Employee Benefit Plan

The Corporation offers a retirement contribution in the amount of 7% of each covered employee's salary to be deposited in a retirement account of the employee's choosing - IRA, SEP, 403(b). A 7% contribution was made for both 2007 and 2006 and totaled $6,115 and $5,357 respectively.

Note 6: Leases

The Corporation entered into an agreement with Pitney Bowes in October, 2003 to lease a mailing system. The lease calls for 18 quarterly payment of $154.76. Future minimum lease payments are:

2008	$155
2009	0
2010	0
2011	0
2012	0

Note 8: Reconciliation of Net Income to Net Cash Provided by Operating Activities

	2007	2006
Excess revenue and support over expenses	$ 19,099	$ 47,230
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	107	0
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable - Custodial Funds	1,980	(1,980)
Increase (decrease) in accounts payable and accrued expenses	5,326	(50,930)
Net cash provided (used) by operating activities	$ 26,512	$ (5,680)

GREATER LAPORTE ECONOMIC DEVELOPMENT CORPORATION
SUPPORTING SCHEDULE TO THE STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Personnel Expenses		
Salaries	$ 86,734	$ 76,312
Auto allowance	6,000	6,000
Payroll taxes	6,553	5,788
Group insurance	5,372	4,525
Employee retirement	6,115	5,357
Total Personnel Expenses	$ 110,774	$ 97,982
General and Administrative Expenses		
Advertising and business promotion	$ 12,784	$ 5,333
Dues and subscription	1,491	1,865
Travel and entertainment	2,575	1,880
Miscellaneous	64	856
Office expense	2,377	2,467
Printing	3,695	4,513
Website	2,400	1,235
Repairs	0	2,456
Communications	2,601	2,241
Depreciation - office equipment	107	0
Prospect development	1,956	1,793
Professional services	1,750	1,587
Postage	432	531
Mileage reimbursement	384	0
Development and training	2,447	3,181
Insurance	2,636	3,001
Total General and Administrative Expenses	$ 37,699	$ 32,939

The accompanying notes are an integral part of these financial statements.