

CASA OF THE 16th JDC, INC.

New Iberia, Louisiana

Financial Report

Year Ended June 30, 2019

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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To the Board of Directors of
CASA of the 16th JDC, Inc.
New Iberia, Louisiana

We have reviewed the accompanying financial statements of the CASA of the 16th JDC, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 30, 2019

FINANCIAL STATEMENTS

CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Statement of Financial Position
June 30, 2019

ASSETS

Current assets:		
Cash and cash equivalents		\$ 8,442
Receivables		<u>14,413</u>
Total assets		<u>\$ 22,855</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Payroll liabilities		\$ 2,163
Other liabilities		<u>1,137</u>
Total current liabilities		<u>3,300</u>
Net assets:		
Without donor restrictions		<u>19,555</u>
Total liabilities and net assets		<u>\$ 22,855</u>

CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Statement of Activities
For the Year Ended June 30, 2019

Changes in Net Assets Without Donor Restrictions:

Revenues, Gains, and Other Support

Public Support:

Donations	\$ 26,678
Fund Raising	<u>1,555</u>
Total Public Support	28,233

Fees and Grants from Governmental Agencies	58,242
Miscellaneous Income	<u>3,406</u>

Total Revenues, Gains and Public Support	<u>89,881</u>
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Expenses:

Program Services:

Court Appointed Special Advocates for Children	62,217
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Supporting Services:

Administrative and General	20,407
Fund Raising	<u>208</u>
Total Expenses	<u>82,832</u>

Change in net assets without donor restrictions	7,049
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Net assets, beginning of year	<u>12,506</u>
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Net assets, end of year	<u><u>\$ 19,555</u></u>
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CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Statement of Functional Expenses
For the Year ended June 30, 2019

	<u>Program Services</u>	<u>Support Services</u>		Total Expenses
	Court Appointed Special Advocates for Children	Fund Raising	Administrative and General	
Compensation and Related Expenses				
Salaries	\$ 30,268	\$ -	\$ 4,925	\$ 35,193
Employee Benefits				
Payroll Taxes	3,424	-	1,563	4,987
Medical Insurance	-	-	168	168
	<u>33,692</u>	-	6,656	40,348
Background Checks	1,646	-	-	1,646
Dues and Memberships	700	-	75	775
Equipment Rental and Maintenance	-	-	4,859	4,859
Fund Raising	-	208	-	208
Information Technology	720	-	2,058	2,778
Insurance	1,062	-	2,980	4,042
Miscellaneous	-	-	1,033	1,033
Outside Services	75	-	-	75
Postage	325	-	-	325
Printing and Copying	326	-	-	326
Rent	6,400	-	2,682	9,082
Supplies	7,853	-	64	7,917
Travel and Meetings	6,649	-	-	6,649
Volunteer Training	<u>2,769</u>	<u>-</u>	<u>-</u>	<u>2,769</u>
Totals	<u>\$ 62,217</u>	<u>\$ 208</u>	<u>\$ 20,407</u>	<u>\$ 82,832</u>

See accompanying notes and independent accountant's review report.

CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Statement of Cash Flows
For the Year Ended June 30, 2019

Cash flows from operating activities:	
Change in net assets	<u>\$ 7,049</u>
Adjustments to Reconcile Increase in Net Assets to Increase in Operating Assets	
Accounts Receivable	(14,413)
Increase in Operating Liabilities	
Payroll Liabilities	2,163
Other Liabilities	<u>1,137</u>
Total Adjustments	<u>(11,113)</u>
Net change in cash and cash equivalents	(4,064)
Cash and cash equivalents, beginning of year	<u>12,506</u>
Cash and cash equivalents, end of year	<u>\$ 8,442</u>

See accompanying notes and independent accountant's review report.

CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

(A) Nature of Operations

CASA of the 16th JDC, Inc. (the Organization) is a nonprofit corporation organized under the laws of Louisiana on August 22, 2008. The corporation was formed for the purpose of recruiting, training and supporting volunteer court appointed advocates to speak for the best interests of abused and neglected children in court. The Organization's mission is "to advocate for children who are victims of abuse to secure their place in a stable and nurturing home." The Organization serves the children of the 16th Judicial District of Louisiana. A Board of Directors manages the operations of the Organization and those Directors receive no compensation for their services. The Organization is primarily funded through grants from various organizations and agencies as well as contributions from private foundations, corporations and individuals.

(B) Income Tax Status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509 (a) of the Code.

(C) Financial Statement Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that will be met, either (1) by incurring expenses satisfying the restricted purpose (purpose restricted), and/or passage of time or other events (time restricted), or (2) will never expire (perpetual in nature). When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

(D) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2019.

CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Notes to Financial Statements

(E) Receivables

Accounts receivable are stated at unpaid balances. The Organization provides for losses on accounts receivable using the direct write off method. It is the Organization's policy to write off uncollectible accounts receivable when management determines the receivable will not be collected. Generally accepted accounting principles require the accrual of uncollectible receivables through an allowance account. An allowance amount would be immaterial at June 30, 2019.

(F) Compensated Absences

Employees of the Organization are entitled to paid vacation, paid sick days, and personal days off, depending on job classification, length of service, and other factors. It is impracticable to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Organization's policy is to recognize the costs of compensated absences when actually paid to employees.

(G) Revenue and Expense Recognition

Contributions are recognized when the donor makes a commitment to give and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Restrictions on gifts of fixed assets or cash for the purchase of fixed assets expire when the asset is placed in service. Expenses are recognized in the period incurred in accordance with the accrual basis of accounting.

(H) Federal Financial Awards

Revenues for direct and indirect federal grants and contracts are recorded based on expenses incurred for contracts that are on a cost reimbursement basis, and based on the units of service for those contracts which are on a fee for service basis. In the statement of activities, these revenues are referred to as Grants and Other Unrestricted Revenues and Support. Related contract receivables are referred to as receivables in the statement of financial position.

(I) Donated Services and Materials

The Organization recognizes donated services that (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated goods and supplies and professional services were immaterial for the year ended June 30, 2019. Donated rent was valued at \$8,400 for the year ended June 30, 2019.

CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Notes to Financial Statements

(J) Functional Allocation of Expenses

Expenses are summarized and categorized based on their function classification as either program or supporting services. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation based on time, space, or other resources used for those functions.

(K) Use of Estimates

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

(2) Accounts Receivable

Accounts receivable was comprised of funds from CASA Assistance Program for \$14,413 at June 30, 2019.

(3) Operating Lease

An operating lease was entered into on January 1, 2019 for the use of a copier for a term of 60 months with \$97 due each month. Lease expense for the year ended June 30, 2019 was \$485. The minimum future rental payments under this operating lease having a remaining term in excess of one year as of June 30, 2019 for the remainder of the lease is as follows:

<u>Year Ended</u>	<u>Amount</u>
2020	\$ 1,164
2021	1,164
2022	1,164
2023	1,164
2024	<u>679</u>
	<u>\$ 5,335</u>

(4) Financial Instruments

Financial instruments which potentially subject the Organization to concentrations of credit risk include temporary cash investments. The Organization maintains its cash and invested funds in a financial institution. Accounts at this institution are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2019, the Organization did not exceed the insured limits.

CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Notes to Financial Statements

(5) Liquidity and Availability of Resources

The Organization's financial assets available within one year of the balance sheet date for general expenditures are as follows:

	<u>2019</u>
Cash and Cash Equivalents	\$ 8,442
Receivables	<u>14,413</u>
Total current assets	<u>\$ 22,855</u>

(6) Concentration

The Organization received approximately seventy-two percent (72%) of its total revenue from the Louisiana Supreme Court through its Temporary Assistance to Needy Families program. The Organization does not expect that the support from this governmental agency will be lost in the near-term; however, a change in this funding could substantially affect the operations of the Organization.

(7) Compensation, Benefits, and Other Payments to Executive Director

A detail of compensation, benefits, and other payments paid to Bonnie Bonin, Executive Director, is as follows:

<u>Purpose</u>	
Salary	\$ 23,983

(8) Income Taxes

The Organization is a nonprofit organization exempt from Federal and State income taxes. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the organization and recognize a tax liability (or asset) if the organization has undertaken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the organization, and has concluded that as of June 30, 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The organization is subject to routine audit by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

(9) Subsequent Events

The Organization has evaluated subsequent events through December 30, 2019, the date which the financial statements were available to be issued.

CASA OF THE 16th JDC, INC.
New Iberia, Louisiana

Notes to Financial Statements

(10) Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-9, Revenue from Contracts with Customers (Topic 606). This guidance is a comprehensive new revenue recognition standard that will supersede substantially all existing revenue recognition guidance. The new standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be more entitled in exchange for those goods or services. In doing so, companies will need to use more judgment and make more estimates than under existing guidance. These may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. On July 9, 2015, the FASB agreed to delay the effective date of the standard by one year. Therefore, the new standard will be effective for annual periods beginning after December 31, 2018 and is not expected to have a significant impact on the Organization's financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) intended to improve financial reporting regarding leasing transactions. The new standard affects all companies and organizations that lease assets and liabilities for the rights and obligations created by those leases if the lease terms are more than 12 months. The guidance also will require qualitative quantitative disclosures providing additional information about the amounts recorded in the financial statements. The amendments in this update are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Organization is evaluating the potential impact of the amendment on the Organization's financial statements.

In November 2016, the FASB issued Accounting Standards update No. 2016-18, Statement of Cash Flows (Topic 2130). The amendments in this Update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The amendment is effective for fiscal years beginning December 15, 2018. The Organization is evaluating the potential impact of the amendment on the Organization's financial statements.

In June 2018, the FASB issued ASU 2018-08: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The amendments in this Update clarify and improve current guidance about whether a transfer of assets is a contribution or an exchange transactions, and clarifies how a not-for-profit organization determines whether a resource provider is participating in an exchange transaction. The amendments in this ASU will be effective for annual reporting periods beginning after December 15, 2018. The Organization does not expect the guidance to have a material impact on its financial statements.