

**THE HARRY TOMPSON CENTER, INC.
(A NONPROFIT ORGANIZATION)**

**FINANCIAL STATEMENTS, SUPPLEMENTARY
INFORMATION AND AGREED-UPON
PROCEDURE REPORT**

YEARS ENDED JUNE 30, 2018 AND 2017

THE HARRY TOMPSON CENTER, INC.
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

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BERNARD & FRANKS
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH V. FRANKS II, C.P.A.

NICHOLAS W. LAFRANZ III, C.P.A.

JAMES L. WHITE, C.P.A.

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
The Harry Tompson Center, Inc.
New Orleans, Louisiana

We have reviewed the accompanying financial statements of The Harry Tompson Center, Inc. (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses and cash flows for the years 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 company 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 engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. 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 reviews, 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.

Supplementary Information

The supplementary information included in the Schedule of Compensation, Benefits and Other Payments to Executive Director is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. We have not audited or reviewed such information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Bernard & Franks

Metairie, Louisiana
November 15, 2018

THE HARRY TOMPSON CENTER, INC.

**STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2018 AND 2017**

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 257,779	\$ 242,515
Accounts receivable	85,846	67,159
Inventory	250	-
Total current assets	\$ 343,875	\$ 309,674
LAND, PROPERTY AND EQUIPMENT	\$ 9,016	\$ 9,016
Less accumulated depreciation and amortization	(9,016)	(9,016)
	\$ -	\$ -
Total assets	\$ 343,875	\$ 309,674
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 9,766	\$ 5,464
Payroll withholding	20,777	12,427
Total current liabilities	\$ 30,543	\$ 17,891
NET ASSETS		
Unrestricted	\$ 313,332	\$ 291,783
Total net assets	\$ 313,332	\$ 291,783
Total liabilities and net assets	\$ 343,875	\$ 309,674

See accompanying notes.

THE HARRY TOMPSON CENTER, INC.

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
REVENUES, GAINS AND OTHER SUPPORT		
Contributions and grants	\$ 347,531	\$ 263,350
Fundraising events	159,257	151,870
Other	4,255	12,211
Total revenues, gains and other support	<u>\$ 511,043</u>	<u>\$ 427,431</u>
EXPENSES		
Program services	\$ 303,721	\$ 286,239
Supporting services:		
Management and general	103,742	100,859
Fund-raising	82,031	92,327
Total expenses	<u>\$ 489,494</u>	<u>\$ 479,425</u>
Change in net assets	<u>\$ 21,549</u>	<u>\$ (51,994)</u>
NET ASSETS AT BEGINNING OF YEAR	<u>\$ 291,783</u>	<u>\$ 343,777</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 313,332</u></u>	<u><u>\$ 291,783</u></u>

See accompanying notes.

THE HARRY TOMPSON CENTER, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018**

	Program Services	Supporting Services		Total
		Management and General	Fund- raising	
Salaries and related expenses:				
Salaries	\$ 183,775	\$ 42,006	\$ 36,755	\$ 262,536
Payroll Taxes	15,476	3,537	3,095	22,108
Employees Benefits	23,135	5,288	4,627	33,050
Workers' compensation	5,461	1,248	1,092	7,801
	<u>\$ 227,847</u>	<u>\$ 52,079</u>	<u>\$ 45,569</u>	<u>\$ 325,495</u>
Accounting and auditing	\$ -	\$ 12,418	\$ -	\$ 12,418
Advertising	-	-	680	680
Bank fees	-	1,302	-	1,302
Depreciation	-	-	-	-
Dues and subscriptions	-	1,165	-	1,165
Insurance	-	3,486	-	3,486
Meetings and conferences	-	881	-	881
Miscellaneous	-	3,807	-	3,807
Office supplies	-	6,844	-	6,844
Other supplies	23,895	-	-	23,895
Occupancy	36,171	-	-	36,171
Postage	-	258	-	258
Professional services	-	19,954	35,782	55,736
Repairs and maintenance	-	-	-	-
Staff development	-	1,041	-	1,041
Telephone	-	-	-	-
Travel and transportation	-	507	-	507
Volunteer expense	15,808	-	-	15,808
Total expenses	<u>\$ 303,721</u>	<u>\$ 103,742</u>	<u>\$ 82,031</u>	<u>\$ 489,494</u>

See accompanying notes.

THE HARRY TOMPSON CENTER, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2017**

	Program Services	Supporting Services		Total
		Management and General	Fund- raising	
Salaries and related expenses:				
Salaries	\$ 181,684	\$ 41,644	\$ 36,220	\$ 259,548
Payroll Taxes	14,026	3,206	2,805	20,037
Employees Benefits	20,902	4,778	4,180	29,860
Workers' compensation	4,194	959	839	5,992
	<u>\$ 220,806</u>	<u>\$ 50,587</u>	<u>\$ 44,044</u>	<u>\$ 315,437</u>
Accounting and auditing	\$ -	\$ 14,965	\$ -	\$ 14,965
Advertising	-	-	4,336	4,336
Bank fees	-	2,013	-	2,013
Depreciation	-	-	-	-
Dues and subscriptions	-	522	-	522
Insurance	-	2,852	-	2,852
Meetings and conferences	-	433	-	433
Miscellaneous	-	3,986	-	3,986
Office supplies	-	7,201	-	7,201
Other supplies	17,021	-	-	17,021
Occupancy	32,347	-	-	32,347
Postage	-	692	-	692
Professional services	-	16,789	43,947	60,736
Repairs and maintenance	560	-	-	560
Staff development	-	613	-	613
Travel and transportation	-	206	-	206
Volunteer expense	15,505	-	-	15,505
Total expenses	<u>\$ 286,239</u>	<u>\$ 100,859</u>	<u>\$ 92,327</u>	<u>\$ 479,425</u>

See accompanying notes.

THE HARRY TOMPSON CENTER, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 21,549	\$ (51,994)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	-	-
Increase (decrease) in operating assets:		
Accounts receivable	(18,687)	16,755
Inventory	(250)	-
Increase (decrease) in operating liabilities:		
Accounts payable	4,302	(6,870)
Payroll liabilities	8,350	12,376
Net cash provided by operating activities	\$ 15,264	\$ (29,733)
Net increase (decrease) in cash and cash equivalents	\$ 15,264	\$ (29,733)
Beginning cash and cash equivalents	242,515	272,248
Ending cash and cash equivalents	\$ 257,779	\$ 242,515

See accompanying notes.

THE HARRY TOMPSON CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

The Harry Tompson Center, Inc. (the Center) is committed to providing a calm and caring environment in which to serve the needs of the poor and homeless in the downtown New Orleans area. The Center is dedicated to improving the quality of life for all those who come in need, not merely by responding to physical needs, but also by attending to the whole person with respect and compassion, after the example of Jesus. Its principle sources of revenues are donations from other charitable organizations, corporations and individuals.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) topic 958, Not-for-Profit Entities. The Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Center has no temporarily or permanently restricted net assets.

Basis of Accounting

The financial statements of The Harry Tompson Center, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

For purposes of the statement of cash flows, The Harry Tompson Center, Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Concentrations

For the year ended June 30, 2018, \$347,530 or 68% of the Center's total gross revenue was from contributions and grants. Additionally, \$159,257 or 31% of the Center's total gross revenue was from fundraising and finally \$4,255 or 1% was from miscellaneous sources.

THE HARRY TOMPSON CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentrations (Continued)

For the year ended June 30, 2017, \$263,350 or 63% of the Center's total gross revenue was from contributions and grants. Additionally, \$151,870 or 36% of the Center's total gross revenue was from fundraising and finally \$12,211 or 3% was from miscellaneous sources.

Donated Services

Contributions of donated services that create or enhance non-financial assets or that require specialized skills are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair market values in the period received.

Estimates

Management uses estimated and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could differ from those estimates.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Tax Status

The Center is a nonprofit organization and exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Code as other than a private foundation. The Center is also exempt from Louisiana income taxes under authority of R.S. 47.121(5). The Center believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to financial statements. The Center's Federal Exempt Information Returns (Form 990) for year ended June 30, 2015, 2016 and 2017 are subject to examination by the IRS, generally for three years after they were filed.

THE HARRY TOMPSON CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Promises to Give

Unconditional promises to give, if applicable, less an allowance for uncollectible amounts, are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional. For the years ended June 30, 2018 and 2017, the Center had no unconditional promises to give.

Property and Equipment

All acquisitions of property and equipment in excess of \$2,500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Leasehold improvements are expensed in the year they are placed in service since no long-term lease is in place. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful life of the assets. All of the property and equipment are fully depreciated as for the years ended June 30, 2018 and 2017.

NOTE 2. CASH AND CASH EQUIVALENTS

The Harry Tompson Center, Inc. maintains two bank accounts at one institution. These accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) for amounts up to \$250,000 for interest bearing accounts. Cash at this institution did not exceed FDIC limits for the years ended June 30, 2018 and 2017.

NOTE 3. PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2018 and 2017 consisted of the following:

	2018	2017
Furniture & fixtures	\$ 9,016	\$ 9,016
Less: Accumulated depreciation	(9,016)	(9,016)
	\$ -	\$ -

No depreciation expense was recorded for the years ended June 30, 2018 and 2017.

THE HARRY TOMPSON CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 4. COMPENSATION

The Board of Directors serves The Harry Tompson Center, Inc. without compensation.

NOTE 5. LEASE OF FACILITY

The program and administrative facilities of the Organization are leased under an informal agreement with the St. Joseph Church in New Orleans, Louisiana. The informal agreement requires a sharing of occupancy expenses among several programs on the Church site. No long-term lease agreement has been executed between the Organization and Church. Both organizations are related by affiliation with Archdiocese of New Orleans. Occupancy expenses totaled \$36,171 and \$32,347 for the years ended June 30, 2018 and 2017, respectively.

Generally accepted accounting principles require leasehold improvements to be amortized over the lease term. Since no long-term lease exists, leasehold improvements are expensed in the year they are placed in service. No leasehold improvements were placed in service for the years ended June 30, 2018 and 2017.

NOTE 6. DEFINED CONTRIBUTION PLAN

The Center sponsors a defined contribution plan, a SIMPLE IRA covering all with \$5,000 of compensation for a calendar year. The Center contributes a matching contribution to the employee's compensation for a calendar year. Eligible employees can designate up to \$12,500 of their compensation as salary reduction and contribute that amount to the simple IRA. Eligible employees over 50 years old can contribute an additional \$3,000 catch-up contribution (total salary reduction of \$15,500).

Total retirement payments by the Center was \$4,172 and \$4,526 for the years ended June 30, 2018 and 2017, respectively.

NOTE 7. SUBSEQUENT EVENTS

Management has evaluated subsequent events affecting the Center through November 15, 2018, which is the date the financial statements were available to be issued. All disclosures considered necessary are made in the financial statements.

SUPPLEMENTARY INFORMATION

THE HARRY TOMPSON CENTER, INC.

**SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO EXECUTIVE DIRECTOR
YEAR ENDED JUNE 30, 2018**

Agency Head: Vicki Judice, Executive Director

	<u>Amount</u>
Salary	\$ 69,085
Benefits-insurance	8,400
Benefits-retirement	<u>1,997</u>
	<u>\$ 79,482</u>



AGREED-UPON PROCEDURES REPORT

Independent Accountant's Report
On Applying Agreed-Upon Procedures

To the Board of Directors
The Harry Tompson Center, Inc.
New Orleans, Louisiana:

We have performed the procedures enumerated below as they are a required part of the engagement. We are required to perform each procedure and report the results, including any exceptions. Management is required to provide a corrective action plan that addresses all exceptions noted. For any procedures that do not apply, we have marked "not applicable."

Management of the The Harry Tompson Center, Inc., a nonprofit corporation, is responsible for its financial records, establishing internal controls over financial reporting, and compliance with applicable laws and regulations. These procedures were agreed to by management of the The Harry Tompson Center, Inc and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the The Harry Tompson Center, Inc. compliance with certain laws and regulations during the year ended June 30, 2018.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. We determine the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

The following table describes the federal, state, and local award expenditures for the fiscal year:

<u>Agency</u>	<u>Grant Name</u>	<u>Federal</u>	<u>Award</u>	<u>From</u>	<u>To</u>
UNITY of Greater New Orleans, Inc.	Rapid Rehousing Assistance	HUD	11,169.00	4/1/2017	3/31/2018
UNITY of Greater New Orleans, Inc.	Coordinated Assessment Grant	HUD	12,973.00	4/1/2017	3/31/2018
UNITY of Greater New Orleans, Inc.	Coming Home PSH Grant	HUD	12,237.00	10/1/2017	9/30/2018
UNITY of Greater New Orleans, Inc.	Day Center Grant	HUD	72,610.00	10/1/2017	9/30/2018
UNITY of Greater New Orleans, Inc.	Street Outreach Grant	HUD	17,610.00	10/1/2017	9/30/2018
City of New Orleans, Inc.	Emergency Solutions Grant	HUD	107,000.00	1/1/2017	12/31/2018

2. For each federal, state, and local award:

- We randomly select six disbursements from each award administered during the period under examination, provided that no more than 30 disbursements in total will be selected.

- We traced the six disbursements for each award to supporting documentation as to proper amount and payee.

No exceptions were noted.

- We determined that the six disbursements for each award were properly coded to the correct fund and general ledger account.

No exceptions were noted.

- We determined that the six disbursements for each award received approval from proper authorities.

No exceptions were noted.

- For federal awards, we determine that the disbursements selected complied with the applicable specific program compliance requirements summarized in the *Compliance Supplement* or contained in the grant agreement, if the program is not included in the *Compliance Supplement* and for state and local awards, determine whether the disbursements comply with the grant agreement, relating to:

- Activities allowed or unallowed
- Eligibility
- Reporting

No exceptions were noted.

3. For the programs selected for testing in Item 2 that have been closed out during the period under review, we compared the close-out report, when required, with the entity's financial records and determined that the amounts agreed.

No exceptions were noted.

Open Meetings

4. Examine evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law).

This procedure does not apply to this Organization.

Budget

5. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

No exceptions were noted.

Prior Comments and Recommendations

6. Review any prior year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

No prior year suggestions, recommendations, and/or comments were made for this Organization.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of The Harry Thompson Center, Inc. and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Bernard & Franks

Metairie, Louisiana
November 15, 2018

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

November 15, 2018 (Date Transmitted)

Bernard & Franks, A Corporation of Certified Public Accountants
4141 Veterans Blvd., Suite 313
Metairie, LA 70002

(Auditors)

In connection with your review of our financial statements as of June 30, 2018 and for the period then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representation).

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes No

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes No

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes No

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes No

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lla.nsf>, to determine whether a non-profit agency is subject to the open meetings law.**

Not applicable

Yes No

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes No

Reporting

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes [x] No []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [x] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

	Secretary	12-11-18	Date
_____	Treasurer	_____	Date
May A Bandwin	President	12-11-18	Date