

GREENPATH INTERNATIONAL, INCORPORATED

FINANCIAL STATEMENTS

FOR THE YEAR ENED JUNE 30, 2020

Collins CPA Accounting & Consulting Services LLC

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COLLINS CPA ACCOUNTING & CONSULTING SERVICES L.L.C.

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Board of Directors
Greenpath International, Incorporated
New Orleans, LA 70119

We have reviewed the accompanying financial statements of **Greenpath International, Incorporated** (a nonprofit organization) which comprise the statements of financial position as of June 30, 2020, and the related statements of activities, cash flows, and functional expenses 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, and the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General.. 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.



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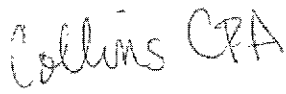
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Accountant's Conclusion

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.

Supplementary Information

The accompanying Schedule of Compensation Benefits and Other Payments to Executive Director is presented for purposes of additional analysis as required by the Louisiana Legislative Auditor, and a schedule of functional expenses are presented for purposes of additional analysis. These schedules, although not a part of the basic financial statements, are considered by these agencies to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Such information is the responsibility of management. It has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

A handwritten signature in blue ink that reads "Collins CPA". The signature is written in a cursive, slightly slanted style.

New Orleans, Louisiana
November 14, 2020

Greenpath International, Incorporated
Statement of Financial Position
as of June 30, 2020

Assets

Current Assets:

Cash \$ 373,004

Total Current Assets 373,004

Property and Equipment

Computer Equipment 16,072

Computer Software 2,153

Furniture and Equipment 32,429

Less: Accumulated Depreciation (42,923)

Total Property and Equipment 7,731

Total Assets \$ 380,735

Liabilities & Net Assets

Liabilities:

Notes Payable 152,385

Total Liabilities \$ 152,385

Net Assets

Without Restrictions 228,351

Total Net Assets Without Donor Restrictions \$ 228,351

Total Liabilities & Net Assets \$ 380,736

See accompanying notes and independent accountant's review report.

Greenpath International, Incorporated
Statement of Activities
For the Year Ended June 30, 2020

<i>Revenue and Support:</i>	
Grant Revenue	\$ 10,000
Service Revenue	847,695
<i>Total Revenue and Support</i>	<u>857,695</u>
<i>Expenses:</i>	
Program Expenses	824,797
Management and general expenses	79,743
Fundraising expenses	-
<i>Total Expenses</i>	<u>904,539</u>
<i>Increase(decrease) in net assets without donor restrictions</i>	(46,844)
Net assets - Beginning of Year	<u>275,195</u>
Net assets - End of Year	<u><u>\$ 228,351</u></u>

See accompanying notes and independent accountant's review report.

Greenpath International, Incorporated
Statement of Cash Flows
Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$	(46,844)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation Expense		3,428
Decrease in accounts receivables		2,092
Increase in payroll liabilities		<u>5,520</u>
Net cash provided by operating activities		<u>5,520</u>

CASH FLOWS FROM INVESTING ACTIVITIES

-

CASH FLOWS FROM FINANCING ACTIVITIES

Net cash provided by financing activities		152,300
Net decrease in cash and cash equivalents		110,976
Cash - July 1, 2019		<u>262,028</u>
Cash - June 30, 2020		<u>373,004</u>

*There was no interest paid during fiscal year 2020

See accompanying notes and independent accountant's review report.

Greenpath International, Incorporated
Schedule of Functional Expenses
For the Year Ended June 30, 2020

	Management & General	Program Services	Fundraising	Total
Advertising	\$ -	\$ 50	\$ -	\$ 50
Background Check		520		520
Bank Charges	788			788
Business Expenses	800			800
Cable Services	6,345			6,345
Contractual Services	9,355	52,359		61,714
Depreciation	3,428			3,428
Drug Screening		1,652		1,652
Dues and Subscriptions		3,131		3,131
Electronic Health Records		6,160		6,160
Facilities & Equipment Maintenance		3,717		3,717
Insurance		8,340		8,340
Licenses	5,991			5,991
Medical Records		385		385
Office Expenses		3,051		3,051
Payroll Expense		732,624		732,624
Postage, Mailing Services		507		507
Printing & Copying	2,576			2,576
Professional Development		1,278		1,278
Program Expenses		8,007		8,007
Rent	42,000			42,000
Security	613			613
Telephone, Telecommunications	2,745			2,745
Travel & Meetings		3,015		3,015
Utilities	5,103			5,103
Total Expense	\$ 79,743	\$ 824,797	\$ -	\$ 904,540

See accompanying notes and independent accountant's review report.

GREENPATH INTERNATIONAL INCORPORATED

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Greenpath International Incorporated is a non-profit organization exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code. The organization was formed to provide treatment for individuals who have substance abuse issues and who are mentally ill. The services are designed to help persons with developmental disabilities, and severe and persistent behavioral problems reach their maximum function level in the community.

Basis of Accounting

The organization maintains its accounting records on the accrual method of accounting. Under this method of accounting, revenue is recognized when earned or billed, and expenses are recognized when goods or services are received and the obligation for payment is incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). **Greenpath International Incorporated** reports information regarding its financial position and activities according to the two classes of net assets as follows:

Net Assets Without Donor Restrictions – Net assets and revenue available and used for current operations and expenditures for current programs. These net assets are not subject to donor or grantor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor or grantor imposed restrictions. Some restrictions are temporary in nature, such as those that will be met with the passage of time or occurrence of other events. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates the resources be maintained perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled or both.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs, management, and fundraising based on estimates of time devoted to these functions. The amount of fundraising costs were not material.

GREENPATH INTERNATIONAL INCORPORATED

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
CONTINUED:

Revenue recognition

Revenue from grants and contracts are recognized according to the specific agreement. Generally, revenues from restricted grants are recognized in the period of the grant award while revenues from cost reimbursement contracts are recognized to the extent of services provided.

Cash and cash equivalents

Cash consist solely of demand deposits and a money market account that is secured by federal deposit insurance. All highly liquid debt instruments purchased with an original maturity of three (3) months or less are considered to be cash equivalents for purposes of the statement of cash flows. All deposits are secured by federal deposit insurance.

Accounts receivable and allowance for doubtful accounts

Accounts receivable are recorded at cost, net of an allowance for doubtful accounts. Management evaluates collectability of its accounts receivable on a per customer basis and does not require collateral for its receivables. An amount allowance for doubtful accounts was not recorded at June 30, 2019 since the entire receivable is deemed to be collectible.

Property and Equipment

Property and equipment are recorded at cost if the initial value exceeds \$1,000. Additions, renewals, and betterments that extend the life of assets are capitalized, maintenance and repair expenditures are expensed as incurred. The cost of property and equipment sold or otherwise disposed and the accumulated depreciation thereon are eliminated from the property and related accumulated depreciation accounts, and any gain or loss is credited or charged to income. Depreciation is provided using the straight-line method over the estimated useful lives of the property.

Donated Services

Donated labor is valued at the minimum wage rate in effect at the time of the donated services. Professional time, which is donated, is valued at the current market rate of the specific project. Donated materials are valued at current market value at the time of the donation.

GREENPATH INTERNATIONAL INCORPORATED

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
CONTINUED:

Contributed Services

The organization recognizes contribution revenue for certain goods and services received at the fair value of those goods and services provided those goods and services create or enhance non financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the year ended June 30, 2016, the value of contributed goods and services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Income Taxes

Greenpath International Incorporated is a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code and began its operations during calendar year 2010. Accordingly, no provisions for federal or state income taxes have been recorded in the accompanying financial statements and tax years 2017, 2018, and 2019 are open for tax purposes.

Greenpath International Incorporated accounts for income taxes in accordance with the income tax accounting guidance included in the FASB ASC. Under this guidance, **Greenpath International Incorporated** may recognize the tax effects from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by tax authorities. **Greenpath International Incorporated** has evaluated its position regarding the accounting for uncertain tax positions and does not believe that it has any material uncertain tax positions.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require 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 statements and the reported amounts of support and expenses during the reporting period. Actual results could differ from those estimates.

Fair Values of Financial Instruments

Generally accepted accounting principles require disclosure of fair value information about financial instruments for which it is practicable to estimate fair value, whether or not recognized in the statement of financial position. Cash and

GREENPATH INTERNATIONAL INCORPORATED

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
CONTINUED:

cash equivalents carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

NOTE 2- Property and Equipment

Property and equipment reflects the purchase of computers, furniture and equipment valued at \$50,654. The organization uses straight-line depreciation. Current year depreciation is \$3,428 and the accumulated depreciation at June 30, 2020 is \$42,923

NOTE 3- Uncertain Tax Positions

The corporation is subject to examination by various taxing authorities, including federal income tax examinations. Management has reviewed the activities its activities and believes that no additional amounts or disclosures are needed, as the effect of any uncertain tax positions is not material to the financial statements. The tax returns for the year 2017, 2018, and 2019 are open for examination by various taxing authorities.

NOTE 4- Operating Lease

Greenpath International Incorporated entered into a lease for office space. The total amount paid during the period of the review was \$42,000.

NOTE 5- Notes Payable

Greenpath International Incorporated received \$152,300 loan from the Paycheck Protection Program. The loan was issued to **Greenpath** on May 29, 2020 and is accounted for as a notes payable. The first interest note is due November 19, 2020 if the loan is not forgiven by that date. **Greenpath International Incorporated** is eligible to receive full forgiveness; however, the bank has not been given direction from the federal government on how to process the forgiveness as of June 30, 2020. The loan will remain a liability until the forgiveness is applied.

NOTE 6- Concentration of Credit Risk

Greenpath International Incorporated maintains deposits in a local financial institution with balances at times that may exceed the \$250,000 federal insurance provided by the Federal Deposit Insurance Corporation. Management believes the credit risk associated with these deposits is minimal.

GREENPATH INTERNATIONAL INCORPORATED

NOTES TO FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED:

NOTE 7- Economic Dependency

Greenpath International Incorporated derives a portion of its revenues from governmental sources as earned revenue, the loss of which may have a material adverse effect on the organization. During the twelve months ended June 30, 2020, revenue derived from governmental sources accounted for a substantial part of the support recorded by Greenpath.

NOTE 8- Related Party Transactions

Greenpath International Incorporated has entered into a two-year operating lease for its location at 411 South Broad Street, New Orleans, LA 70119 with the President of Greenpath International Incorporated, and his spouse. The total amount paid during the period of the review was \$42,000. The lease agreement was approved by the Board of **Greenpath International Incorporated**.

NOTE 9- Liquidity

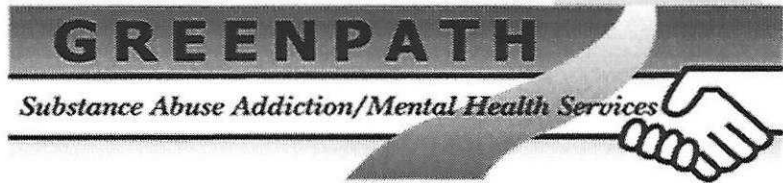
Greenpath International Incorporated has \$373,004 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. **Greenpath International Incorporated** maintains excess cash in bank accounts.

NOTE 10- Subsequent Events

In accordance with ASC 855, **Greenpath International Incorporated** evaluated subsequent events through November 14, 2020, the date these financial statements were available to be issued and determined the following:

The Covid-19 outbreak in the United States and our state has caused business disruption through mandated and voluntary closings of businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and whether those closings will precipitate a wider economic recession. As a result, the related financial impact on **Greenpath International Incorporated** and the duration cannot be estimated at this time.

EXHIBIT A



MAIN OFFICE: 411 S. BROAD AVE., N.O., LA 70119 TEL. (504) 827-2928 FAX (504) 827-2926

EMAIL: gpaddiction@yahoo.com **WEBSITE:** gpaddiction.org

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

November 14, 2020 (Date Transmitted)

Collins CPA Accounting & Consulting Services LLC
PO Box 1855
Harvey, LA 70059

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of June 30, 2020 (date) and for the year 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.

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 [X] 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 local grantor officials. Yes [X] No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation. Yes [X] 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 [X] 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 to determine whether a non-profit agency is subject to the open meetings law.
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 had our financial statements reviewed in accordance with R.S. 24:513.

Yes No

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes No

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 No

Prior-Year Comments

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

Yes No **NA**

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes No

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes No

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants 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 your report.

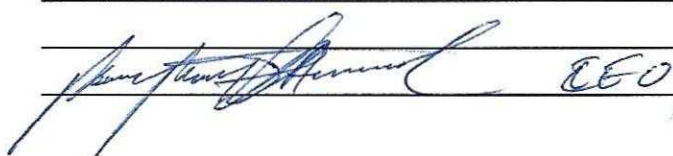
Yes No

We will 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.

Yes No

The previous responses have been made to the best of our belief and knowledge.

Secretary _____ Date

Treasurer _____ Date
 CEO

President 11/14/2020 Date

EXHIBIT B

Greenpath International, Incorporated

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer

Year Ended June 30, 2020

Agency Head Name: Earnest Airhia

Purpose	Amount
Salary	\$168,000.00
Benefits-insurance	\$0
Benefits-retirement	\$0
Benefits-<list any other here>	\$0
Car allowance	\$0
Vehicle provided by government	\$0
Per diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$0
Conference travel	\$0
Continuing professional education fees	\$0
Housing	\$0
Unvouchered expenses*	\$0
Special meals	\$0
Rental Income – Greenpath paid \$21,000 to Earnest Airhia for leasing space for Greenpath operations which is owned by Earnest Airhia and Sari Airhia	\$21,000

*an example of an unvouchered expense would be a travel advance

Note: If the agency head served part of the fiscal year, indicate how many months were served, and include information on all agency heads who served during the fiscal year.