

CASA OF CENTRAL LOUISIANA, INC.  
NATCHITOCHEs, LOUISIANA

ANNUAL FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITOR'S REPORT  
JUNE 30, 2018

## TABLE OF CONTENTS

	<u>Statement</u>	<u>Page No.</u>
Independent Auditor's Report		1-2
Financial Statements		3
Statement of Financial Position	A	4
Statement of Activities	B	5
Statement of Functional Expenses	C	6
Statement of Cash Flows	D	7
Notes to the Financial Statements		9-12
	<u>Schedule</u>	
Other Supplemental Information		
Schedule of CASA Assistance Program Revenue and Expenditure Activity	1	14
Schedule of Compensation, Benefits and Other Payments to Agency Head	2	15
Other Information		
Schedule of Prior Year Audit Findings	3	17
Schedule of Current Year Audit Findings and Management's Response	4	18
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		19-20

# Windham & Reed, L.L.C.

*Certified Public Accountants*

1620 North Pine Street  
DeRidder, LA 70634  
Tel: (337) 462-3211  
Fax: (337) 462-0640

John A. Windham, CPA  
Charles M. Reed, Jr., CPA

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
CASA of Central Louisiana, Inc.  
Natchitoches, Louisiana

### *Report on the Financial Statements*

We have audited the accompanying financial statements of CASA of Central Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows, for the year then ended, and the related notes to the financial statements.

### *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.

### *Auditor's Responsibility*

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CASA of Central Louisiana, Inc. as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of CASA assistance program TANF revenue and expenditure activity and schedule of compensation, benefits and other payments to agency head are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2018, on our consideration of CASA of Central Louisiana, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 on 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* in considering CASA of Central Louisiana, Inc.'s internal control over financial reporting and compliance.



DeRidder, Louisiana  
September 21, 2018

## FINANCIAL STATEMENTS

Statement of Financial Position  
June 30, 2018

ASSETS

Current Assets:

Cash and cash equivalents	\$	122,178
---------------------------	----	---------

Receivables:

CASA AP state grant		16,728
---------------------	--	--------

Prepaid insurance		1,413
-------------------	--	-------

Total current assets	\$	<u>140,319</u>
----------------------	----	----------------

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$	3,842
------------------	----	-------

Payroll taxes payable		4,085
-----------------------	--	-------

Total current liabilities	\$	<u>7,927</u>
---------------------------	----	--------------

Net Assets:

Unrestricted	\$	<u>132,392</u>
--------------	----	----------------

Total liabilities and net assets	\$	<u>140,319</u>
----------------------------------	----	----------------

The accompanying notes are an integral part of this statement.

Statement of Activities  
For the Year Ended June 30, 2018

SUPPORT AND REVENUE

<u>SUPPORT</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
TANF federal grant	\$ -	\$ 138,433	\$ 138,433
CASA AP state grant	-	86,221	86,221
LA CASA reimbursement	-	2,834	2,834
Other contributions	19,987	-	19,987
Fundraising	28,066	-	28,066
Net assets released from restrictions	227,488	(227,488)	-
Total support	<u>\$ 275,541</u>	<u>\$ -</u>	<u>\$ 275,541</u>
 <u>REVENUE</u>			
Interest/dividends	\$ 2,568	\$ -	\$ 2,568
Total support and revenue	<u>\$ 278,109</u>	<u>\$ -</u>	<u>\$ 278,109</u>
 <u>EXPENSES</u>			
Program services			
Court appointed special advocates	\$ 110,635	\$ -	\$ 110,635
Supporting services			
General and administrative	158,634	-	158,634
Total expenses	<u>\$ 269,269</u>	<u>\$ -</u>	<u>\$ 269,269</u>
Change in net assets	\$ 8,840	\$ -	\$ 8,840
Net assets at beginning of year	<u>123,552</u>	<u>-</u>	<u>123,552</u>
Net assets at end of year	<u>\$ 132,392</u>	<u>\$ -</u>	<u>\$ 132,392</u>

The accompanying notes are an integral part of this statement.

Statement of Functional Expenses  
For the Year Ended June 30, 2018

	Program Services	Supporting Services	
	Court Appointed Special Advocates	General and Administrative	Total
Salaries and related benefits	\$ 84,579	\$ 52,938	\$ 137,517
Payroll taxes	7,633	3,835	11,468
Health insurance	2,785	4,127	6,912
Retirement	1,217	1,520	2,737
Total salaries and related expenses	<u>\$ 96,214</u>	<u>\$ 62,420</u>	<u>\$ 158,634</u>
Program supplies	\$ 5,123	\$ -	\$ 5,123
Telephone	2,989	-	2,989
Dues/licenses/permits	3,020	-	3,020
Occupancy	22,200	-	22,200
Travel and training	9,584	-	9,584
Postage	690	-	690
Maintenance	3,911	-	3,911
Fundraising	10,884	-	10,884
Insurance	8,862	-	8,862
Security	335	-	335
Professional fees	11,468	-	11,468
Utilities	1,996	-	1,996
Bank charges	359	-	359
Advertising	11,177	-	11,177
Vehicle expenses	6,385	-	6,385
Public relations	3,935	-	3,935
Printing	4,277	-	4,277
Meals and entertainment	3,440	-	3,440
Total expenses before depreciation	<u>\$ 110,635</u>	<u>\$ -</u>	<u>\$ 110,635</u>
Depreciation			
Purchased assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total expenses	<u>\$ 206,849</u>	<u>\$ 62,420</u>	<u>\$ 269,269</u>

The accompanying notes are an integral part of this statement.

Statement of Central Louisiana  
For the Year Ended June 30, 2018

Cash flows from operating activities:	
Cash received from grants	\$ 229,864
Cash received from contributions	19,987
Cash received from fundraising	28,066
Cash received from interest income/dividends	2,568
Cash payments for program activities	(107,010)
Cash payments to employees for services	(158,494)
Net cash provided by operating activities	<u>\$ 14,981</u>
Net increase (decrease) in cash and cash investments	
	\$ 14,981
Cash and cash investments, July 1, 2017	107,197
Cash and cash investments, June 30, 2018	<u>\$ 122,178</u>
Reconciliation of net income from operations to net cash provided by operating activities:	
Net income (loss) from operations	\$ 8,840
Adjustments to reconcile net income (loss) from operations to net cash used by operating activities:	
Change in assets and liabilities:	
Decrease in grants receivable	\$ 2,376
Increase in accounts payable	3,570
Decrease in prepaid expenses	55
Increase in payroll taxes payable	140
Net cash provided by operating activities	<u>\$ 14,981</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

## **Introduction**

CASA of Central Louisiana, Inc. (Court Appointed Special Advocate of Central Louisiana, Inc.) is a Louisiana non-profit corporation and a member of the National Court Appointed Special Advocate Association. This corporation is organized and it shall be operated exclusively for charitable, religious, and educational purposes, within the meaning of Section 501 (c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, including for purposes, to purchase, acquire, hold, use, manage, alienate or encumber property of any kind, necessary and proper to advocate for and protect the best interest of abused, neglected, and dependent children, and the making of distributions to Organizations that qualify as exempt Organizations under section 501 (c) (3) of the Internal Revenue Code or the corresponding section of any future federal tax code. The Board of Directors consists of not less than five nor more than twenty board members that are not compensated for their services.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies followed are described to enhance the usefulness of the financial statements to readers. The financial statements of CASA of Central Louisiana, Inc. have been prepared on the accrual basis; therefore, certain revenues and the related assets are recognized when earned rather than when received and certain expenses are recognized when the obligation is incurred rather than when paid. These policies have been consistently applied in the preparation of the financial statements. The corporation has no capital stock.

### **A. Basis of Accounting**

The financial statements are presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations, which requires the Organization 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 organization has no permanently restricted net assets or temporarily restricted net assets as of June 30, 2018. In addition, the Organization is required to present a statement of cash flows.

### **B. Cash and Cash Equivalents**

The Organization's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition and are reported in the statement of cash flows.

### **C. Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. CASA of Central Louisiana, Inc. maintains a threshold level of \$1,000 or more for capitalizing capital assets.

Notes to the Financial Statements (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. There was no interest expense included during the current fiscal year.

Capital assets are depreciated using the straight-line method with the following estimated lives.

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5 - 10 years
Equipment	5 - 10 years

**D. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of CASA of Central Louisiana, Inc., which are either unusual in nature or infrequent in occurrence. Subsequent events have been evaluated through September 21, 2018, the date that the financial statements were available to be issued.

**E. Estimates**

The preparation of 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 revenues, and expenses during the reporting period. Actual results could differ from those estimates.

**F. Income Taxes**

The Organization is qualified as an exempt organization under Section 501 (c) (3) of the Internal Revenue Code and is not subject to federal income tax. In addition, the Organization qualifies for the charitable contribution deduction under section 170(b)(1)(A) of the Internal Revenue code and has been determined by the Internal Revenue Service not to be a private foundation within Section 509 (a) of the Code.

**G. Donated Facilities, Materials and Services**

Donated materials, equipment and use of facilities (if any) are reflected as contributions in the accompanying statements at their estimated values at the date of receipt. Donated services (if any) are recognized as contributions in accordance with SFAS No. 116, Accounting for Contributions Received and Contributions Made, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the organization. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the criteria for SFAS No. 116 are not met.

**H. Concentration of Risk**

CASA of Central Louisiana, Inc.'s primary sources of support are from grants awarded by the state. Management is always seeking funding for the upcoming years through renewals of current grants as well as applying for new grants; however, in the event the Organization is unable to secure additional funding, the financial position of the Organization could be significantly impacted.

Notes to the Financial Statements (Continued)

**I. Subsequent Events**

The accounting records of the Organization were reviewed subsequent to year end and through the date the auditor's report was issued for subsequent events that could materially affect the financial statements. No subsequent events were found during this period that would materially affect the financial statements.

**J. Prepaid Expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the Statement of Financial Position.

**2. ECONOMIC DEPENDENCY**

The Organization receives a substantial portion of its total support from TANF (Temporary Assistance for Needy Families) federal grant and CASA AP state grant. During the period ended June 30, 2018, CASA of Central Louisiana, Inc. received \$138,433 and \$86,221 in grant support respectively, which represents 81.53% of total support.

**3. CASH AND CASH EQUIVALENTS**

At June 30, 2018, the Organization had cash and cash equivalents (book balances) totaling \$122,178 as follows:

Interest bearing demand deposits	<u>\$ 122,178</u>
----------------------------------	-------------------

These deposits are stated at cost, which approximates market. At June 30, 2018, the Organization has \$122,722 in deposits (collected bank balances). These deposits are secured from risk by \$122,722 of federal deposit insurance.

**4. RECEIVABLES**

The following is a summary of receivables for June 30, 2018:

<u>Class of Receivable</u>	
Grants:	
CASA AP state grant	<u>\$ 16,728</u>

CASA of Central Louisiana, Inc.

Notes to the Financial Statements (Concluded)

**5. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2018, for the Organization is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Equipment	\$ 10,765	\$ -	\$ -	\$ 10,765
Furniture and fixtures	2,479	-	-	2,479
Total capital assets being depreciated	<u>\$ 13,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,244</u>
Less accumulated depreciation for:				
Equipment	\$ 10,765	\$ -	\$ -	\$ 10,765
Furniture and fixtures	2,479	-	-	2,479
Total accumulated depreciation	<u>\$ 13,244</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,244</u>
Total capital assets being depreciated, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**6. ACCOUNTS AND OTHER PAYABLES**

The following is a summary of payables at June 30, 2018:

<u>Class of Payable</u>	
Accounts payable	\$ 3,842
Payroll taxes payable	4,085
Total	<u>\$ 7,927</u>

**7. NET ASSETS**

As required by SFAS No. 117, net assets have been reclassified into three categories: Unrestricted, temporarily restricted, and permanently restricted. The reclassification is as follows:

Unrestricted	\$ 132,392
Temporarily restricted	-
Permanently restricted	-
Total net assets	<u>\$ 132,392</u>

**8. LITIGATION AND CLAIMS**

At June 30, 2018, CASA of Central Louisiana, Inc. had no litigation or claims pending.

OTHER SUPPLEMENTAL INFORMATION

Schedule of CASA Assistance Program TANF  
Revenue and Expenditure Activity  
For the Year Ended June 30, 2018

Revenues and support:	
TANF federal grant	\$ 138,433
CASA AP state grant	86,221
Total revenues and support	<u>\$ 224,654</u>
Expenses:	
Salaries	\$ 135,105
Fringe benefits	24,715
Operating expenses	48,770
Travel	10,839
Supplies	2,349
Printing	600
Professional fees	860
Training	1,043
Total expenses	<u>\$ 224,281</u>
Increase (decrease) in net assets	<u>\$ 373</u>

Schedule of Compensation, Benefits and  
Other Payments to Agency Head  
For the Year Ended June 30, 2018

Agency Head Name - Jack Duty

Purpose	Amount
Salary	\$ 47,235
Benefits - insurance	4,127
Benefits - retirement (Simple IRA)	1,417
Deferred compensation	-
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses	-
Special meals	13
Other	-

OTHER INFORMATION

Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2018

There were no prior year audit findings as of June 30, 2017.

Schedule of Current Year Audit Findings and Management's Response  
For the Year Ended June 30, 2018

There were no current year audit findings as of June 30, 2018.

# Windham & Reed, L.L.C.

*Certified Public Accountants*

1620 North Pine Street  
DeRidder, LA 70634  
Tel: (337) 462-3211  
Fax: (337) 462-0640

John A. Windham, CPA  
Charles M. Reed, Jr., CPA

INDEPENDENT AUDITOR'S 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 of Directors  
CASA of Central Louisiana, Inc.  
Natchitoches, Louisiana

We have audited, in accordance with the 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, the financial statements of CASA of Central Louisiana, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 21, 2018.

## **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered CASA of Central Louisiana, Inc.'s, internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CASA of Central Louisiana, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of CASA of Central Louisiana, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether CASA of Central Louisiana, Inc.'s financial statements are 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 or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "John A. Windham, CPA". The signature is written in a cursive style with a large initial 'J'.

DeRidder, Louisiana  
September 21, 2018